

No. 11874
IN THE
United States Court of Appeals
FOR THE NINTH CIRCUIT

In the matter of

CHRIST'S CHURCH OF THE GOLDEN RULE, a California
Non-Profit Religious Corporation,
Bankrupt.

PETER PETERSEN, MRS. PETER PETERSEN and GEORGE D.
PATRICK,

Appellants,

vs.

PAUL W. SAMPSELL, L. BOTELER and MCINTYRE FARIES,
as Trustees in Bankruptcy of the Estate of Christ's
Church of the Golden Rule, Bankrupt, and CHRIST'S
CHURCH OF THE GOLDEN RULE, BANKRUPT,

Appellees.

TRANSCRIPT OF RECORD
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Upon Appeal From the District Court of the United States
for the Southern District of California
Central Division

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In the District Court of the United States for the Southern District of California, Central Division.

In the Matter of Christ's Church of The Golden Rule, a non-profit California corporation, Debtor. In Bankruptcy No. 44128 WM.

PETITION FOR ORDER AUTHORIZING THE FILING OF PETITION FOR ARRANGEMENT UNDER THE PROVISIONS OF CHAPTER XI WITHOUT THE FILING OF A SCHEDULE OF ASSETS AND LIABILITIES AND STATEMENT OF AFFAIRS.

To the Honorable Judges of the United States District Court, in and for the Southern District of California, Central Division:

The verified petition of the Christ's Church of The Golden Rule, a non-profit California corporation, respectfully represents to the Court as follows:

I.

That it is filing herewith a petition for arrangement and a plan of arrangement under the provisions of Chapter XI of the Bankruptcy Act, as amended, and with reference thereto incorporates the same herein as though fully set forth herein.

II.

That your petitioner is unable to file herewith at this time an accurate schedule of its assets and liabilities inasmuch as the books and records of the corporation are now in the process of being audited by your debtor's auditors and accountants, and because of the vast holdings and operations by said corporation throughout the states of California and Oregon and because of the large number

of creditors, secured and unsecured, which have been acquired by virtue of said operations. It is contemplated, however, that a schedule of the assets and liabilities and statements of affairs can and will be filed within a period from ten (10) to fifteen (15) days.

III.

That it is highly essential that the petition and plan of arrangement under and pursuant to the provisions of Chapter XI of the Bankruptcy Act, as amended, be filed forthwith in order that the best interests of this corporation and all creditors, secured and unsecured, may be protected.

Wherefore, your petitioner prays that an order be made and entered herein authorizing your petitioner to file its petition for plan of arrangement and plan of arrangement under the provisions of Chapter XI of the Bankruptcy Act, as amended, without the necessity of filing its schedule of assets and liabilities and its statement of affairs for a period of ten (10) days from the date hereof.

CHRIST'S CHURCH OF THE GOLDEN RULE,
A Non-profit California Corporation,

A. E. KNAPP, (Seal)

By A. E. Knapp, Secretary and
Treasurer,

Petitioner.

RUSSELL E. PARSONS and
COBB & UTLEY,
ERNEST R. UTLEY,

Attorney for Debtor.

State of California, County of Los Angeles—ss.

I, A. E. Knapp, Secretary and Treasurer of Christ's Church of The Golden Rule, a non-profit California corporation, the petitioning debtor mentioned and described in the foregoing Petition for Order Authorizing the Filing of Petition for Arrangement, etc., hereby make solemn oath that the statements contained therein are true according to the best of my knowledge, information and belief.

A. E. KNAPP.

A. E. KNAPP.

Subscribed and sworn to before me this 1 day of November, 1945.

Seal

BLANCHE MORRIS,

*Notary Public in and for the County of Los Angeles
State of California.*

My Commission expires July 22, 1947.

Endorsed: Filed Nov. 1, 1945, 4:45 p. m. Edmund L. Smith, clerk; by E. M. Enstrom, Jr., deputy clerk.

[TITLE OF COURT AND CAUSE.]

ORDER AUTHORIZING THE FILING OF PETITION FOR
ARRANGEMENT UNDER THE PROVISIONS OF CHAPTER
XI OF THE BANKRUPTCY ACT, AS AMENDED, WITH-
OUT THE FILING OF A SCHEDULE OF ASSETS AND
LIABILITIES AND A STATEMENT OF AFFAIRS.

Upon the reading and filing of the verified petition of the above named debtor, and good cause appearing therefrom, and upon motion of Russell E. Parsons, and Cobb & Utley, its attorneys, no adverse interests appearing thereat,

It is ordered that Christ's Church of The Golden Rule, a non-profit corporation, be, and it is hereby authorized to file its petition for arrangement and plan of arrangement under and pursuant to the provisions of Chapter XI of the Bankruptcy Act, as amended, without the necessity of filing at this time a schedule of assets and liabilities and statement of affairs.

It is further ordered that said schedule and statement of affairs shall be filed on or before the 13 day of November, 1945, unless said time is further ordered extended by the Court.

Dated: This 1st day of November, 1945.

H. A. HOLLZER,
United States District Judge.

Endorsed: Filed Nov. 1, 1945, 4:45 p. m. Edmund L. Smith, clerk; by E. M. Enstrom, Jr., deputy clerk.

PETITIONER'S EXHIBIT 1.

ARTICLES OF INCORPORATION

OF

CHRIST'S CHURCH

OF

THE GOLDEN RULE

Know All Men by These Presents :

That we, the undersigned citizens and residents of the State of California, do hereby voluntarily associate ourselves together for the purpose of organizing a private corporation under Title XII, Article I of the General Non-Profit Corporation Law of the State of California, for purposes other than pecuniary profit, and which will at no time function for pecuniary gains, profits, or dividends, and does not contemplate the distribution of pecuniary gains, profits, or dividends, to the members of the corporation or to anyone; and we do hereby certify:

FIRST: That the name of said corporation shall be

Christ's Church

of

The Golden Rule

SECOND: That the general purposes for which this corporation is organized are:

(a) In accordance with rules of procedure approved in writing by the trustee or trustees hereof to teach and promote the spiritual and religious welfare of mankind and particularly to promulgate the teachings of Christ Jesus as found in the King James version of the Holy Bible, most particularly the economic teachings of Christ Jesus, and to this end to maintain and carry on churches whenever and wherever to the trustee or trustees it seems the

most good might be done by so doing; to teach those things that in the opinion of the trustee or trustees will tend to forever end the causes and evils of war, poverty, illiteracy, superstition, greed, brutality, hate, selfishness, man's inhumanity to man and his subjection to the blind so-called forces of nature and materiality; to teach such subjects as will encourage mankind to adopt Christ Jesus' "Golden Rule" of absolute "economic" equality as the corner stone of a world-wide and universally accepted system of all individual, industrial, business, political, national and international relationships; to teach that men should worship and glorify "God," not other men whom they set upon thrones and literally worship and glorify as they would an "idol," until such men become their masters with the power of life or death in their hands, as though "they" were God Himself or as though mankind were slaves who lived only to do the bidding of these idolatrously worshipped pigmy gods of wrath, greed and hate; to teach that there is but "one" God—omniscient, omnipotent and omnipresent Life, Truth and "Love"—who lovingly cares and provides for all of His children impartially and "equally" from His limitless and inexhaustible universe; to teach that because of the infinite affluence of our Creator—the vastness and infinitely abundant substance of His universe—greed, selfishness, economic competition, poverty, jealousy, hate and war are but manifestations of moral idiocy—expressions of ignorance, superstition and stupidity.

(b) In accordance with rules of procedure approved in writing by the trustee or trustees hereof to teach and promote the spiritual, moral and financial welfare of all mankind; to teach and give instructions in the general science of life and nature by means of any practical educational

methods, and to teach and exemplify by any practical means, with any or all suitable or necessary agencies, natural or artificial, causation, and resulting natural effects in any or all things, operations, or conditions appertaining to human life or affairs individually and/or collectively; and particularly to teach and promote any and all sciences or subjects contributing to human welfare or human understanding, and to this end to do anything conducive to the furtherance of the purposes and objects herein specified; to teach and exemplify the use of money or credit in any and all of its economic functions, and generally to teach and exemplify worthy and righteous business methods and scientific ways of procedure based upon Christ Jesus' "Golden Rule" of absolute and impartial universal economic equality.

(c) In accordance with rules of procedure approved in writing by the trustee or trustees hereof to seek, search for, discover, collect, reveal, teach, publish, circulate and practice the highest and best knowledge or trust respecting man's origin and his physical, material, mental, moral, religious and spiritual status, progress, development and welfare as found, exemplified, reflected or evolved in or from racial development, traditions, custom, history, economics, morals, philosophy, ethics, religion, the arts and sciences, education, astronomy, metaphysics, divine healing or healing by prayer, from and in all forms, processes and methods of investigation, experimentation and research, learning, education and culture;

(d) In accordance with rules of procedure approved in writing by the trustee or trustees hereof to foster and promote interest in the social, economic, financial, educational, and civic conditions of all mankind; to assist in the education and training of those interested in the social,

economic, financial, educational, and civic conditions of all mankind; to maintain departments for the study of national and international economic, financial, educational and civic problems; to procure and employ any or all kinds and types of help, including professional and voluntary help, for all projects, activities, or undertakings of the corporation; and whenever desirable or necessary, to provide for their compensation, either in money, exchange of services or commodities;

(e) To acquire, own, found, establish, organize, finance, equip, operate, direct and maintain and control churches and seminaries in connection therewith for the purpose of teaching and instruction of the teachings of the King James version of the Holy Bible and of Christ Jesus, and of training and educating ministers and teachers and ordaining the same;

(f) To acquire, own, found, establish, organize, finance, equip, operate, direct, maintain and control associations, clubs, societies, forums, centers, auditoriums, lecture halls, schools, fellowships, scholarships, colleges, universities, educational foundations, laboratories, libraries, printing and publishing plants, newspapers, journals and magazines, radio receiving and broadcasting stations, co-operative exchanges, recreational centers and facilities, clinics, sanitariums, rest homes, and all lawful physical and curative practices, methods, facilities, and institutions proper and expedient to or for the exercise and purposes of the corporation; and further, to acquire, own and hold real and personal property of any kind, and to lease, sell, convey, mortgage, hypothecate, or otherwise dispose of the same as provided by law and to assist and forward the establishment of similar organizations and groups throughout the world;

(g) To receive donations, contributions, tuitions or remuneration and any and all forms of income for educational or economic services, or for publications or for courses of instructions or for any other purpose, and to use, disburse, give away or loan such funds for promoting the objects and purposes of the corporation; to borrow money, contract debts, and to issue notes or other obligations, secured and unsecured, of the corporation from time to time, for moneys borrowed or in payment for property acquired or for any of the other objects or purposes of the corporation;

(h) To engage or employ any person or persons as may be required in extending and furthering the objects and purposes of the organization, and to compensate such persons by payment of salaries, commissions or otherwise, in money, services or commodities;

(i) To carry on a general advertising, publicity, publishing, selling and printing business in all of its branches, both as principals and agents; to carry on the business of printers, publishers, stationers, bookbinders, engravers, photographers, dealers in paper and of plain and fancy articles, publications of all kind, textbooks, courses of instruction, and dealers in any other articles of a character similar or analogous to the foregoing, or any of them, or connected therewith, and in fact to undertake and transact all kinds of merchandising, sales campaigns, advertising and publicity business of every kind, character, nature and description, and in fact to undertake and transact all kinds of agency business which an individual may lawfully undertake; and to act as agency or representative of corporations, firms, and individuals, and as such to advertise, publicize, circularize, develop and extend the business interest of firms, corporations and individuals

by printing, publishing, advertising, propagandizing, mail order, silent or talking motion pictures, radio and television methods, systems or campaigns;

(j) To take photographs, silent or talking motion pictures and television silent or talking pictures of public and private events and of prepared acts, auditions, scenes and events, articles, books and manuscripts, and to prepare, make, sell, lease and dispose of all of said photographs, talking motion pictures and television talking pictures of public and private events and of prepared acts, auditions, scenes and events; books, articles and manuscripts;

(k) To acquire by purchase or otherwise, own, hold, buy, sell, convey, exchange, lease, mortgage or encumber real estate or other property, personal or mixed, franchises, licenses, rights, trademarks, copyrights, trade names, patents, inventions, and to do all and everything necessary, suitable, convenient or proper for the accomplishment of any of the purposes, or the attainment of any of the objects hereinabove enumerated;

(l) To establish branch organizations in any lawful place for like purposes as herein specified;

(m) To ever render aid and succor to the down-trodden and those whose rights may have been or appear about to be invaded and to this end to do any and all things, and to take any and all action which in the opinion of the trustee or trustees appears right and necessary;

(n) To do any and all things which in the opinion of the trustee or trustees seem necessary, suitable, convenient or proper for or in connection with or incidental to, the accomplishment of any of the purposes, or the attaining of anyone or more of the objects herein enumerated or designed, directly or indirectly, to promote the interests

of this corporation; and, in general, to do any and all things and exercise any and all powers which it may now or hereafter be lawful for the corporation to do or exercise under the laws of the State of California that may hereafter be applicable to this corporation;

(o) To conduct its business in all or any of its branches in the State of California, and in any or all other states, territories, possessions, colonies and dependencies of the United States of America and in the District of Columbia and in any and all foreign countries, and to have one or more offices within and outside the State of California;

(p) To adopt such rules, regulations and by-laws for the conduct, government and control of this corporation as may not be inconsistent with the laws of the State of California, or the laws of the United States. All by-laws, rules of procedure, appointment of officials and acts of any kind whatsoever, including the acts specified in the foregoing articles, by the officials, ministers, agents, representatives, associates or co-workers of this church organization pertaining in any way to the activities and/or interests of this corporation shall first be subject to the approval of the trustee or trustees which approval shall be expressed in writing and acknowledged before a notary public.

THIRD: That the principal office for the transactions of business of this corporation, is to be located in the County of Los Angeles, State of California.

FOURTH: The number of directors shall be not less than three (3) persons elected to act until the first annual meeting of the Founder Members, or until the election or qualification of their successor or successors, are as follows:

| Name | Address |
|-----------------|--------------------|
| H. M. Dunham | Fresno, California |
| F. W. McGugin | Fresno, California |
| George T. Scott | Fresno, California |

FIFTH: The Founder Members shall appoint a trustee or trustees who shall thereafter have the power to appoint his or their successor or successors in whatever manner he or they may select by agreement, will or otherwise, providing that the instrument by which said successor, trustee or trustees is or are appointed shall be acknowledged before a notary public.

SIXTH: If, in the unanimous judgment of the trustee or trustees, and the Founder Members, expressed in writing and acknowledged before a notary public, it seems desirable so to do, the number of directors may be changed from time to time by a by-law fixing or changing said number duly adopted in accordance with the laws of the State of California.

SEVENTH: The Articles of Incorporation of this Corporation may be amended and/or repealed only by resolution approved by all of the directors and by the unanimous vote or the unanimous written consent of the Founder-Members and the trustee or trustees of this corporation representing the entire voting power thereof. Said written consent shall be acknowledged before a notary public.

IN WITNESS WHEREOF, said incorporators have hereunto set their hands and seals this 29th day of December. 1943.

/s/ H. M. DUNHAM
/s/ F. W. MCGUGIN
/s/ GEORGE T. SCOTT

State of California, County of Fresno—ss.

On this 29th day of December, 1943, before me, Velma K. Snow, a Notary Public, in and for said county, personally appeared H. M. Dunham, F. W. McGugin, George T. Scott, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

/s/ VELMA K. SNOW,

Notary Public in and for the County of Fresno,
State of California.

My Commission Expires Mar. 10, 1946.

CHRIST'S CHURCH OF THE GOLDEN RULE
BY-LAWS

* * * *

ARTICLE I—OFFICES

Section 1. Principal Office. The principal office for the transaction of the business of the Corporation is hereby fixed and located at Los Angeles, County of Los Angeles, California.

Section 2. Other Offices. Branch or subordinate offices may be at any time established by the Board of Directors with the written approval of the Trustee or Trustees, at any place, or places, where the Corporation is qualified to do business.

ARTICLE II—MEMBERS

Section 1. Membership. The Members of This Church Shall Be Considered as "The Children of the Church" and, in accordance with the judgment of its Board of Directors and Trustee, or Trustees, this Church shall endeavor to meet every need of its members (including the needs of this world as well as spiritual needs) in the same manner as a wise and loving father and mother, in accordance with their best judgment and means, would constantly strive to provide security, progress and happiness for their children . . . it being specifically understood, however, that its principal effort, resources and income shall be devoted to promulgating and establishing (both by precept and actions) its concept of Christ Jesus' ministry as described in the Charter comprising the original Articles of Incorporation of this Church which was granted by the State of California, in the United States of America, on January 20, 1944.

After January 20, 1945, no one shall ever be accepted as a member until he, or she, has legally deeded and/or transferred, by properly executed deed or bill of sale, to this Church—Christ's Church of The Golden Rule—all of his, or her, worldly goods, both real and/or personal, and has agreed to devote all of his, or her, resources, life, talents and energies thereafter to the activities of this Church and the ushering into the lives of all mankind that "kingdom of heaven" which Christ Jesus declared was not afar off, but near at hand, and which could be entered whenever men would truly live "the Golden Rule" in their every relationship with one another.

No member or official shall "ever" have any personal, proprietary or legal right, title or interest in or to any properties, resources, assets or income of this Church; and it is specifically understood and agreed that whatever occupancy or use of Church property a member may be permitted to enjoy shall be subject solely to the discretion of its Board of Directors and Trustee, or Trustees—with no right of recourse of any kind whatsoever—and that upon a member's withdrawal, removal or decease, or upon demand of the Board of Directors and Trustee, or Trustees, all real or personal property in the possession of, or being used by, said member shall "immediately" be relinquished to such member, or members, of this Church as may be authorized, in writing, to receive possession thereof by its Board of Directors and Trustee, or Trustees, in accordance with their own absolute discretion.

Inasmuch as no one, after January 20, 1945, while a member of this Church, shall ever "personally" own or have a legal right or title to any real estate or personal properties or assets of any kind whatsoever, but shall by proper deed and/or bill of sale place all legal title or own-

ership rights therein in the name of Christ's Church of The Golden Rule, a religious non-profit corporation, in recognition of the fact "That All Things" belong to God—that although man may enjoy the use of all that God has created, he can actually never "own" anything inasmuch as he brings no possessions with him when he arrives in this world nor takes any away with him when he leaves—and that, therefore, the Members of this Church desire, and have agreed to donate, as an outright gift to this Church—Christ's Church of The Golden Rule—not only all of the worldly possessions which they may have had when they joined this Church, or later acquired by inheritance, discovery, gift, earnings, or in any other way whatsoever during their membership herein, but also all talents, ability and labor toward the end that the major objectives and purposes of Christ's Church of The Golden Rule shall, as quickly as possible, be brought to their successful conclusion and the aims of the Church, as described in its original charter, hereby fulfilled that God may be glorified and the teachings of Christ Jesus adopted as a "practical" as well as a spiritual way of life by the peoples of all the world.

Recognizing the fact that there could be neither group strength nor influence without self-discipline and well-timed synchronization and co-ordination of group effort, it shall be an "irrevocable" condition of membership in this Church that the instructions and/or recommendations and/or directions of those officially vested with authority or placed in positions of supervisory capacity shall (so long as such compliance requires the breaking of neither the laws of our country nor the fundamental precepts of Christ Jesus' Sermon on the Mount) be "instantly" complied with and/or acted upon without either argument or

debate, unless the member imparting such guidance or direction invites a discussion of the matter, in which event his or her final decision shall be accepted and acted upon without further discussion. . . . It is understood, however, that the member giving such instructions shall be responsible for the results thereof. By this rule of procedure both poor judgment and good judgment are more quickly demonstrated, bringing more readily and rapidly, to us all, the benefits of the latter and disclosing with the least possible delay the evidence of mistaken or poor judgment, that necessary adjustments or corrections may be made.

After January 20, 1945, no one (during his or her membership in this Church)—except “Initiate” Members—shall ever join, accept or retain membership in any other church, lodge, club, union or organization of any kind whatsoever, but instead shall devote what might thus be spent in time, thought and energies to the further advancement of one or more of the activities of our own Church family, since the broad channels of service to God and our fellowman contained within the structure of our own organization provide ample opportunity for the exercise of our every talent and the use of every available moment of our time and energy in forwarding the crusade which our Church has inaugurated that the lives of all men, women and children, “everywhere”, might be filled with security and happiness, and that Christ Jesus’ Golden Rule of “economic” equality might be established in the hearts and lives of all mankind.

After January 20, 1945, all Members of this Church shall—as rapidly as is practical and possible under its By-Laws and procedure—be trained to represent it as missionaries and/or ministers. When, in the judgment of

the Board of Directors and the Trustee, or Trustees, they are deemed qualified, they shall be duly ordained as ministers of Christ's Church of The Golden Rule. Pending such formal ordination, each and every member of this Church, after January 20, 1945, shall be considered as a student of the teachings of Christ Jesus (as understood and promulgated by this Church) preparing to minister unto mankind in the way that this Church believes will most clearly and accurately exemplify the essence and major purposes of Christ Jesus' life work and ministry.

Section 2. Classification of Members.

(a). Founder Members: Founder Members are the first three persons who shall subscribe to the original By-Laws of the Corporation and from whom the first "elected" Board of Directors and the first Trustee or Trustees shall be selected.

(b). Advisory Members: Any Director of the "Founder Members" Board of Directors, or any "Managing Member" who shall have served for two or more consecutive terms on the Board of Directors of this Church, shall be eligible to become an "Advisory Member" upon designation of a majority of Managing Members of the Church and the approval of the Trustee, or Trustees, of the Church.

The Advisory Members shall be consulted by the Board of Directors on all matters constituting any distinct (or precedent-establishing) matter of policy or change of policy for the Church and their written recommendations shall be given due consideration by the Board before any final action upon such matters of policy (or such other precedent-establishing matters) as may come before said Board of Directors.

The Advisory Members shall elect from amongst their number annually a Chairman who shall either preside at all of their meetings or appoint another Advisory Member to preside during his or her absence—or when desired. In event of the failure of the Advisory Member to preside over the meeting, or to appoint a chairman to preside in his place, the remaining members may elect a temporary chairman.

Committees consisting of Advisory Members, who have had extensive experience in the same or similar specific branches of our Church's varied activities and interests, shall be formed for the purpose of assisting the Board of Directors whenever requested to do so by said Board and/or by the Trustee, or Trustees, or whenever a majority of the Members of such Advisory Committee, or Committees, believe that their assistance would be of value; then such recommendations as a majority of the members of any such committee determines to be of value, and for the best interests of the Church, shall be sent in written form to the Board of Directors and a copy to the Trustee, or Trustees—a copy thereof shall also be permanently retained in the files of said committee and an additional copy in the general files of the Secretary to the Advisory Members.

(c). Managing Members: Managing Members are those persons who are appointed by the Board of Directors and/or the Trustee or Trustees to serve until the first annual meeting following the date of their appointment or who are elected (in accordance with the following paragraph) to manage or direct the different service, educational, missionary and business enterprises of the Church . . . such persons shall remain Managing Members only so long as they comply with the qualifications of this classification and only so long as they meet

the responsibilities of their respective positions to the satisfaction of the Board of Directors and/or the Trustee, or Trustees.

Managing Members shall be elected annually—thirty days prior to the Annual Meeting of the Managing Members—either by the Board of Directors (subject to the written approval of the Trustee or Trustees) or by a majority vote of the Project Members of each of the different respective service, educational, missionary or business enterprises of the Church, subject to the approval of the Board of Directors and/or the Trustee, or Trustees.

It shall be incumbent upon the Board of Directors, before approving the action of the Project Members in electing one of their number to membership in the classification of Managing Member, to endeavor to ascertain that there shall be selected the most loyal, industrious, competent and successful Project Member from the respective service, education, missionary or business enterprise.

(d.) Project Members: Project Members shall be appointed by the Board of Directors and/or the Trustee, or Trustees, to serve until the first annual meeting following the date of their appointment, or shall be recommended for this classification by not less than three (3) of the Initiate Members—(subject to the approval of the Board of Directors and/or Trustee, or Trustees)—and each Project Member shall retain this classification only so long as he complies with the qualifications of this classification and only so long as he meets the responsibilities of his respective position to the satisfaction of the Board of Directors and/or the Trustee, or Trustees.

(e). Initiate Members: Initiate Members are those persons over fifteen (15) years of age who have been

admitted to membership and who have signed Application Form #1 of this Church pledging themselves to be bound by the term and conditions recited in said Form and who shall be responsible for recommending from their number,—(subject to the approval of the Board of Directors and/or the Trustee, or Trustees)—the Project Members. If applicant is a minor, the written approval of both parents (and/or legal guardian) must be secured before applicant may become a Member.

An Initiate Member shall retain this classification only so long as he maintains the qualifications of this classification as outlined in said Membership Form #1.

Section 3. Application for Membership: Each person, after June 1, 1944, who desires to become a Member of this Church, shall sign an application for membership form #1 and shall agree thereby to be bound by all of the terms and conditions of membership as the same are enunciated in the Application for Membership, the By-Laws and the Church Charter. Such application shall be sponsored by two Members in good and regular standing and shall be forwarded to the Secretary of the Church for action by the Board of Directors. Such application shall be considered by the Board at the next meeting called for such purpose and, if the applicant is determined by the Board to be acceptable for membership, the Secretary shall thereupon forward said application to the Trustee, or Trustees, for final approval, having first noted thereon the action of the Board.

Section 4. Fulfillment of Membership Obligation: After June 1, 1944, each Member shall—within not to exceed ninety (90) days from notification of acceptance to membership—proceed to fulfill the obligations of membership as set forth in the application.

ARTICLE III—MEETINGS OF MANAGING MEMBERS

Section 1. Place of Meeting: The annual meetings of the Managing Members of the Church shall be held at the principal office of the Corporation or at any other place within or without the State of California which may be designated either by the Trustee, or Trustees, pursuant to authority granted by the Articles of Incorporation, or by the written consent of a majority of all Managing Members entitled to vote thereat given before the meeting (subject to the written consent of the Trustee or Trustees) and filed with the Secretary of the Corporation.

Section 2. Annual Meetings: The Annual Meetings of the Managing Members shall be held (starting in July, 1945), on the second Monday of July of each year at 10:00 o'clock A. M. of said day. Written notice of each annual meeting shall be given to each Managing Member entitled to vote thereat not less than ten (10) days before each annual meeting. Said notices are to be sent by Registered Mail—Deliver to Addressee only—Return Receipt Requested, or should be handed to them personally, in which event, signed acknowledgment of such delivery is to be obtained from said Managing Member, or Members, by the person presenting such announcement.

Section 3. Special Meetings: Special Meetings of the Managing Members may be called at any time by the Trustee, or Trustees, or by seven or more Managing Members of the Corporation with the written consent of the Trustee, or Trustees.

Section 4. Voting: At all meetings of the Managing Members each shall be entitled to one vote. No proxy voting shall be permitted.

Section 5. Quorum: A quorum at any meeting of the Managing Members shall exist when more than fifty per-

cent (50%) of the Managing Members of the Corporation are present in person. Either a Trustee, if he so desires, or a Managing Member (elected by a majority of those present) shall preside.

ARTICLE IV—DISCIPLINE OF MEMBERS

Section 1. Authority. The Board of Directors and/or the Trustee or Trustees only of "Christ's Church of The Golden Rule" shall have the power to discipline, place on probation, remove from membership, or to ex-communicate Members of the Church. Only members of the Board of Directors and/or the Trustee, or Trustees, shall be present at meetings for the examination of complaints against Church Members, and they alone shall vote on cases involving Church discipline.

Section 2. Preliminary Requirement: No Church discipline shall ensue until the requirements according to the Scripture in Matthew 18: 15-17, have been strictly obeyed, unless a By-Law governing the case provides for immediate action.

Section 3. Procedure: A written complaint against a member of the Church shall be laid before the Board of Directors and within ten (10) days thereafter the Secretary of the Church shall address a letter of inquiry to the member against whom such complaint is made as to the validity of the charge. A copy of the complaint and of this letter shall be sent to the Trustee, or Trustees. If a member be found guilty by a majority of the Board and or by the Trustee or Trustees, after a hearing on the complaint, the Board shall immediately proceed to discipline the member as provided herein.

Section 4. Grounds for Discipline: If a member of the Church shall depart from or violate the principles

upon which this Church is founded as enunciated in the Charter of the Church, the By-Laws and the Application for Membership, or if a member shall vilify or aggrieve the officers, Trustee or Trustees or members of the Church, and another member in good standing shall, from Christian motives, make this evident to a Committee of the Board of Directors appointed for this purpose, and the Committee—after due investigation—find the charge against the member such as to warrant disciplinary action, the matter shall then be certified to the Board of Directors for disciplinary action in accordance with the By-Laws.

ARTICLE V

DIRECTORS

Section 1. Powers: Subject to the limitations of the Articles of Incorporation, of the By-Laws and the laws of the State of California relating to religious non-profit corporations in accordance with the conditions specified in the Articles of Incorporation, all corporate powers shall be exercised by, or under the authority of, and the business affairs of the Corporation shall be controlled by the Board of Directors provided, however, that the Board of Directors shall not legally obligate the Church by the sale, hypothecation or incumbering of any of the real or personal property or income or other resources of the Church, nor—(unless previously approved by the Trustee or Trustees)—by purchases or expenditures in excess of \$5000.00 during any one month, without first obtaining the express approval of the Trustee, or Trustees, such approval to be in writing and acknowledged before a Notary Public.

Section 2. Duties: It shall be “forever” the duty of the Board of Directors, who are charged with the man-

agement and direction of this Church, to militantly—and in the spirit of true Christian crusaders—carry out the objectives for which this Church is created as set out in the original Articles of Incorporation (a copy of which is made a part hereof) and to that end they shall “forever” endeavor to provide adequate and ever increasingly efficient facilities for the care, maintenance and the general and spiritual welfare, education and progress of the members of this Church which shall include places of educational employment and places of residence (which shall also constitute their principal churches) . . . provisions shall also be made for general institutions of learning and for places of amusement, resorts, rest homes and sanitariums . . . to the end that God may be increasingly glorified by the ever-enlarging capacities of His children to express loving kindness, consideration and concern for the happiness of each and every one of his children, . . . and progressive effort toward these objectives shall be the only justification for any member of the Board of Directors being continued in office—remembering, always, however, that God is glorified by “joyous” inspired efforts, but never by struggle nor strife.

Section 3. Number and Qualification: The authorized number of directors of the corporation shall be three (3), until changed by a by-law amending this Section 3, of Article V of these By-Laws, duly adopted by the vote or written assents of the majority of the Managing Members entitled to exercise the voting power of the corporation and subject to the written consent of the Trustee, or Trustees, acknowledged before a notary public. The Founder Members’ signature on a copy of these By-Laws shall constitute their acceptance and approval of these By-Laws.

Section 4. Election and Term of Office: The first elected Board of Directors shall be elected by the Founder-Members from amongst their number. Thereafter all Directors shall be elected by and from the Managing Members, subject to the written, notarized approval of the Trustee, or Trustees. All Directors shall hold office for one (1) year unless reelected, or until their respective successors are elected. No Director shall hold office for more than three (3) years.

Section 5. Vacancies: Subject to the written approval of the Trustee, or Trustees, vacancies in the Board of Directors may be filled from the ranks of the Managing Members for the unexpired term by a majority vote of the remaining directors if a quorum be present. If, for any reason whatsoever, the number of remaining directors shall be less than a quorum, a special meeting of Managing Members shall be called to fill the vacancy on the Board of Directors, as provided in Article III, Section 3 hereof. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

Section 6. Removal: If the authorized number of directors shall be three (3), a director may be removed by a two-third's vote of the Board of Directors with the written approval of the Trustee, or Trustees. If the Board of Directors be five (5), or more than five (5), a director may be removed only upon an eighty per cent (80%) vote of the Board of Directors and with the written approval of the Trustee, or Trustees.

Section 7. Place of Meeting: Regular meetings of the Board of Directors shall be held at the principal office of the Corporation, provided, however that the organization meeting, and any other directors' meeting of the corpora-

tion, may be held at any place within or without the State of California which has been designated by resolution of the Board of Directors or by the written consent of a majority of the members of the Board, subject to the written approval of the Trustee, or Trustees, acknowledged before a notary public.

Section 8. Time of Meeting: Regular meetings of the Board of Directors shall be held without call on the second Tuesday of January, April, July and October of each year, at 2:00 o'clock P. M. (starting in January, 1945).

Section 9. Special Meetings: Special Meetings of the Board of Directors may be called at any time by the Trustee, or Trustees, of the Corporation or by a majority vote of said Board with the written approval of the Trustee, or Trustees.

Section 10. Quorum. A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business.

ARTICLE VI

TRUSTEE

Section 1. Appointment: Pursuant to the powers conferred upon the Founder-Members of the Corporation by Article V of the Articles of Incorporation, the Founder-Members shall appoint a Trustee, or Trustees, who shall thereafter have the power to appoint his, her or their successor, or successors, in whatever manner said Trustee, or Trustees, may select, by agreement, will or otherwise, providing that the instrument by which said successor Trustee, or Trustees, is or are appointed shall be acknowledged before three notaries public at the time said instrument is signed by the Trustee, or Trustees.

Section 2. Powers: The Trustee, or Trustees, of the corporation shall have the full and complete power (subject to his, her, or their sole discretion) to approve or disapprove any and all actions of the Board of Directors or of the officers of the corporation, such approval or disapproval to be in writing over the signature of the Trustee, or Trustees, and to be acknowledged before a Notary public. If any action be taken by the corporation, its officers or directors without first obtaining the express written approval of the Trustee, or Trustees, as hereinabove mentioned, such action shall be null and void unless subsequently ratified by the Trustee, or Trustees, in the same manner as his, her or their approval would have been given.

Section 3. Privileges and Duties: It shall be the privilege of the Trustee, or Trustees, to attend any and all meetings of the Board of Directors, also the regular and/or special meetings of the Managing Members, and the Trustee, or Trustees, shall have the right to vote (and it shall be his, her or their duty to vote) at any of the aforesaid meetings when the Board of Directors' or the Managing Members' votes are equally divided.

ARTICLE VII

OFFICERS

Section 1. Number and Designation: The officers of the corporation shall be a President, a Vice-President, a Treasurer and a Secretary.

Section 2. Election: The officers of the corporation shall be selected from the Board of Directors and shall be chosen annually by the Board of Directors . . . each shall hold office until his successor shall be elected and qualified.

Section 3. Removal: Any officer may be removed either with or without cause by the Trustee, or Trustees, or by a majority of the Directors with the approval of the Trustee, or Trustees.

Any officer or member may resign his or her office or may withdraw his or her membership from this Church at any time by giving written notice to the Board of Directors, and/or to the Trustee, or Trustees, of the corporation; but any such resignation or withdrawal of membership, shall take effect only upon the date of acceptance by the Board of Directors and/or the Trustee, or Trustees. Written notice of acceptance of such resignation, or withdrawal of membership, shall be necessary to make it effective. However, if such resignation is protested by a majority vote of the Board of Directors (and/or the Trustee, or Trustees)—although finally accepted by them—the officer or member tendering such resignation, or withdrawal of membership, shall—(upon such protest)—never again be eligible as an Advisory Member, an officer or a member of this Church.

Section 4. President: Subject to the supervisory powers conferred upon the Trustee, or Trustees, of this corporation by the Articles of Incorporation and these By-Laws, the President shall be the chief executive officer of the corporation. Either he, the Vice-President or a Trustee shall preside at all meetings of the Board of Directors.

Section 5. Vice-President: Subject to the supervisory powers conferred upon the Trustee, or Trustees, of this corporation by the Articles of Incorporation and these By-Laws, the Vice-President in the absence or disability of the President, shall perform all duties of the President.

Section 6. Secretary: The Secretary shall keep, or cause to be kept at the principal office of the corporation, or at such other place, or places, as may be approved by the Trustee, or Trustees, a Book of Minutes for the corporation.

Section 7. Treasurer: The Treasurer shall keep, or cause to be kept, accurate books of account at such place, or places, as shall be approved in writing by the Board of Directors and/or the Trustee, or Trustees.

ARTICLE VIII

MISCELLANEOUS

Section 1. Indemnification of Directors: Every person who now is, or hereafter shall be a Director, Trustee or officer of the Corporation shall and is hereby indemnified by the Corporation against all costs and expenses (including counsel fees) hereafter reasonably incurred by or imposed upon him in connection with or resulting from any action, suit, or proceedings, of whatever nature, and whether or not concluded, dismissed or otherwise terminated, or by compromise settlement, to which he is or shall be made a party by reason of his being, or having been, a Director, Trustee or officer of the Corporation, or a director or officer of any corporation or association in which this Corporation owns voting securities, except in relation to matters, (a) as to which he shall be finally adjudged in such action, suit or proceedings to have been derelict in the performance of his duty as such directors or officer, or (b) with respect to which he has been guilty of wilful misfeasance, bad faith, gross negligence or reckless disregard of his duties.

The foregoing right of indemnification shall exist whether or not such Director, Trustee or officer at the

time he is made a party to such action, suit or proceedings, or at the time such costs or expenses are incurred by or imposed upon him, is a Director, Trustee or officer of this Corporation or of a corporation in which this Corporation owns voting securities, and shall not be exclusive of other rights to which he may now or hereafter be entitled as a matter of law.

Section 2. Co-Workers: The Board of Directors shall make provision for accepting and recognizing the cooperation and assistance of those who—(though qualified to receive all of the benefits from the activities of this Church not restricted to the specific membership classifications described herein)—for reasons of their own, or conditions beyond their control, have not become members of this Church—such persons shall be designated as “Co-Workers”.

ARTICLE IX

AMENDMENTS

Section 1. Power to Amend Articles of Incorporation: The Articles of Incorporation of this Corporation may be amended and/or repealed only in accordance with its original Articles of Incorporation.

Section 2. Power to Amend By-Laws: The Board of Directors, subject to the written approval of the Trustee, or Trustees, acknowledged before a Notary Public, shall have the power, upon majority vote of said Board, to amend the By-Laws.

Case No. 44128 Re Christ's Church of Golden Rule
Petitioner's Exhibit 1 Date 11-13-45 No. 1 In Evidence
Clerk, U. S. District Court, Sou. Dist. of Calif. Louis J.
Somers, Deputy Clerk

[TITLE OF COURT AND CAUSE.]

SECOND ACCOUNT AND REPORT OF TRUSTEES.

APPLICATION OF TRUSTEES FOR COMPENSATION.

Paul W. Sampsell, L. Boteler and Stewart McKee, the Trustees in Bankruptcy of this estate until April 8, 1947, as hereinafter indicated, present herewith the second account and report of Trustees to cover matters up to April 8, 1947, when the resignation of Trustee McKee was accepted by the court and McIntyre Faries was appointed and qualified to fill the vacancy thus created.

This bankruptcy proceeding commenced on Nov. 1, 1945, as an arrangement case under Chap. XI of the National Bankruptcy Act of 1898. Thereafter, and in the same case, the above named corporation was adjudicated a bankrupt and further proceedings in the administration of the estate were referred to Benno M. Brink, a referee in bankruptcy of the court. On Nov. 20, 1945, Paul W. Sampsell, J. Ray Files and Stewart McKee were appointed and qualified by the court as primary receivers in bankruptcy. Ancillary proceedings were instituted and prosecuted in the Northern District of California and in the District of Oregon. The ancillary proceedings in Northern California were referred for administration to Referee in Bankruptcy Burton J. Wyman of San Francisco. Those in Oregon were referred to Referee in Bankruptcy Estes Snedecor, of Portland. Wm. C. Mikulich and Paul W. Sampsell were appointed and qualified as Ancillary Receivers for the Northern District of California. Harry Skyrman and Paul W. Sampsell were appointed and qualified as Ancillary Receivers for the District of Oregon. On January 4, 1946, Paul W. Sampsell, L. Boteler and Stewart McKee were appointed Trustees

in Bankruptcy of the estate with the approval of Referee Brink, and they qualified on January 5, 1946. They acted as such Trustees until April 8, 1947, when the resignation of Trustee McKee was accepted and McIntyre Faries was appointed, with the approval of Referee Brink, as Trustee, to fill the vacancy thus created, and qualified.

The bankrupt's original schedules were filed December 4, 1945. Amended schedules were filed December 17, 1945, and March 17, 1946. Those filed March 17, 1946, are the most comprehensive of the three and contain the most information regarding the assets of the estate. The trustees took over the custody of the property of the estate in the Southern District of California from the Primary Receivers on January 5, 1946, and in Oregon from the Ancillary Receivers there on the same date, but did not take over the custody of the property in the Northern District of California until February 18, 1946, at 10:00 A. M. pursuant to a specific order of that court. Both sets of ancillary receivers have filed, and had allowed, their final accounts and reports in their specific districts, the accompanying applications in both cases being allowed in full, as requested. Reference is made to same for particulars thereof.

The primary receivers filed and had allowed their final accounts and reports and an allowance on account for compensation was ordered and paid. Reference is made to the same for further particulars.

The Trustees filed and had allowed their first account and report. Also the Trustees' first application was allowed and the Referee ordered a payment for compensation on account, and the same was paid. Reference is made to the same for further particulars.

The Trustees applied for authority to employ as their counsel Craig & Weller, Martin Gendel and Irving M. Walker. The employment of Irving M. Walker was authorized by the Referee.

The proposed employment of Craig & Weller and Martin Gendel was disapproved by the Referee. Craig and Weller and Martin Gendel and the Trustees then filed a petition for a review of the order of disapproval, but the order was affirmed by the District Judge. Upon appeal to the Circuit Court of Appeals for the Ninth Circuit from the said order of the District Judge, the said order was reversed and the matter remanded to the Referee for a further hearing. Upon such further hearing, the said Craig and Weller and Martin Gendel were again disqualified by the Referee. The Trustees and Craig and Weller and Martin Gendel then filed a petition for a review of this last order and the same is now pending for decision before the District Judge. In the beginning, Grainger and Hunt were employed, with the approval of the Referee, as interim counsel, pending the determination of the litigation over the disqualification of Craig and Weller and Martin Gendel. On April 8, 1947, Irving M. Walker retired as counsel for the Trustees, such retirement to take effect as of April 15, 1947.

Irving M. Walker and Grainger and Hunt filed herein their first application for compensation and were allowed fees on account; and will shortly file herein their second application which will request compensation in full for their services from the beginning to April 8, 1947. Just now, therefore, Grainger and Hunt are the sole counsel for the Trustees.

When bankruptcy commenced, the Church corporation owned a large amount of real and personal property of a

value in excess of a million dollars; and was engaged in operating in California and Oregon many business projects such as ranches, hotels, office buildings, apartment houses, club buildings, garages, parking lots, sawmills, iron works, hardware stores, lumber yards, bulb gardens, cheese factories, fish hatcheries, etc. Under the control and supervision of the court, the Trustees proceeded to liquidate and reduce to cash some of these properties and to continue the operation of others. Most of the properties were covered by liens; and there were many title troubles. The Church was a religious non-profit corporation organized under the California laws. The scheme followed was for its members to donate all of their property, real and personal, to the Church and thereafter work in common for the Church's interest, both religious and economic, by donating their services in connection with such business enterprises, without the payment of wages and merely for their board, room and personal maintenance. Each project was handled by a project manager. Under Court orders, the Trustees followed the same scheme for some months.

It later developed that the Trustees could not operate most of these business projects except at a loss; and so the court directed by its order of Sept. 17, 1946, that they be shut down on or before Sept. 30, 1946, except wherever it appeared advisable to keep the business in operation pending a favorable sale thereof. A general liquidation of the assets of the estate was also ordered. On Oct. 10, 1946, the court made an order directing the Trustees to sell practically all of the property of the estate. Thereupon a committee representing certain members, associates and affiliates of the Church, known as the "Loyalist" group, filed a petition for a review of this order of the Referee. The review is still pending. The Trustees ceased

to operate nearly all of the business projects, but retained a few upon the basis of either paying wages to those who worked upon the project or providing for the operation by an independent contractor who would pay wages. The only projects now remaining in operation are:

(1) Petaluma Laundry, Petaluma, Calif., operated by Frank Rusalem as an independent contractor under contract whereby the estate received a percentage of the net profits. The continued operation of this project has produced a substantial income for the estate.

(2) American Laundry, San Jose, California, is operated by the Trustees. The income from this project has dwindled to such a low point that the Referee has directed that the project be closed unless some satisfactory lease arrangement is made whereby the estate will receive a substantial income per month.

(3) Petersen's Cafe, 4962 East Slauson Ave., Maywood, Calif., operated by Peter Petersen. He claims title to this property adverse to the Trustees, although they have been operating the restaurant. Litigation is pending before the Referee with respect thereto. The returns from the operations have dwindled to such a point that the Referee has directed that the project be closed unless some satisfactory lease arrangement is made pending the outcome of the litigation.

(4) Riker's, Your Foods Fountain, San Bernardino, Calif. The situation here is the same as in No. 3 above (Petersen's Cafe).

(5) Hillcrest Bulb Gardens, Grants Pass, Oregon. As related in the Trustees' first report a new contract with Henry G. Plummer, the lien holder, was negotiated; this unit consists of a hotel, two warehouses, a residence, a

ranch, machinery and equipment, accounts receivable, bulbs in the ground, and a stock of gladiola bulbs. Under the contract referred to, clear title to these properties was established in the estate subject to a large mortgage covering the balance due Plummer under his contract with the Church. Plummer had sold the property under conditional sales arrangement to the Church, and until late date has managed the property for this estate. The present encumbrance amount is approximately \$169,993.16, and there are \$48,056.56 in accounts receivable, of which the largest proportion appears collectible. At the present time the Trustees are using Mr. Plummer's nephew to manage the properties and have planted a new crop to maintain going business value. The Trustees have been notified that Henry G. Plummer's interest in this mortgage has been assigned to Messrs. Hannon and Weinberg, who are handling ranches in the Imperial Valley for the Trustees under a somewhat similar arrangement. It appearing that the bulb market is strongly off from the war years, the speculative quality of the operation has increased and the Trustees intend to resolve the operational problem in the near future, before too much current expense is incurred on the new crop.

The Trustees have liquidated and reduced to cash many of the properties of the estate. In this connection, the Trustees wish to call attention to the fact that in connection with the sales of the Oregon properties, they conducted after notice to creditors, and with the aid of the Referee in Bankruptcy in the ancillary proceedings in Oregon, a general sale of all of the assets held by the estate in the State of Oregon, which sale was held at Medford, Oregon, in February, 1947. Competitive bidding was had at the sale, with the result that only two

items of property were bid to such a level as to be deemed by the Trustees to be a reasonable price. These items were (a) Ladino Cheese Factory, Eagle Point, Jackson County, Oregon, and (b) Lot and Sheds in Eagle Point, Jackson County, Oregon.

A list of the properties liquidated and reduced to cash is as follows:

Southern California

- (1) Office and store building, 333-337½ South Hill Street, Los Angeles.
- (2) Continental office building, 408 South Spring Street, Los Angeles.
- (3) West Adams Gardens apartments, 2619 West Adams Gardens, Los Angeles.
- (4) California Bank Building, 163 Marine Street, Ocean Park.
- (5) Santa Monica Athletic Club, 1441 Ocean Front, Santa Monica.
- (6) Sorrento Beach Club, 808 Ocean Front, Santa Monica.
- (7) Tip Top Hotel, 626 Azusa Avenue, Azusa, Calif.
- (8) Your Laundry, 5600 Atlantic Boulevard, Maywood.
- (9) Residence, 4516 East 56th Street, Maywood.
- (10) Casa Blanca Hotel, 210 South Fern Avenue, Ontario.
- (11) Lot 55, Tract 7737, adjoining 8440 Carlton Way, Los Angeles.
- (12) Ocean Park flats and stores, 201-218 Marine Avenue, and 3101-3 Main Street, Ocean Park.

- (13) Bakery fixtures and equipment, 1032 North Highland Avenue, Los Angeles.
- (14) Lot, 1427 South Garvey Boulevard, Pomona.
- (15) Eight Ranches, Imperial Valley, near Brawley. (Sale of 4 of them consummated subsequent to April 8, 1947.)
- (16) Campus Hotel, 527 "D" Street, Brawley.
- (17) Plaza Apartments, 123 North Plaza Street, Brawley.
- (18) Five vacant lots, Third and "C" Streets, Brawley. (Lots 1, 2, 3, 4 and 5, Block 49.)
- (19) Stratford Hotel, 2629 West 8th Street, and flats 751-63 South Coronado Street, and residence 745 South Coronado Street, Los Angeles.

Northern California

- (1) Kean Hotel and Herbst Parking Lot adjoining, 1019 Mission Street, San Francisco, Cal.
- (2) Residence, 3827 Clement Street, San Francisco.
- (3) Residence, 952-4 Ashbury Street, San Francisco.
- (4) Residence, 595 Victoria Street, San Francisco.
- (5) Golden Rule Bakery, equipment and fixtures, 900 Bush Street, San Francisco.
- (6) Denman Garage, equipment and stock in trade, 902 Bush Street, San Francisco.
- (7) Lots 20 and 30, Foothill Boulevard Terrace, Oakland.
- (8) Rancho Dos Palmas, Santa Clara County, near San Jose.
- (9) Palomarin Rancho, Bolinas, Marin County, Calif.
- (10) Store building and fixtures, 3072 Bayshore Drive, San Mateo County, near Redwood City.

- (11) Ziegler's Creamery, Marina, near Monterey, Monterey County.
- (12) Lot 9, Block 344, Pinehurst, Pacific Grove, Monterey County.
- (13) Denton-James Sawmill near Willets, Mendocino County.
- (14) Parking Lot, 429 Mason Street, San Francisco.
- (15) Residence, 3820 Maybelle Avenue, Oakland, California.
- (16) Residence ($\frac{1}{2}$ interest), 4000 Greenwood Street, Oakland.
- (17) Residence, 4220 Midvale Street, Oakland, Calif.
- (18) Residence, 2462 Kinsland Avenue, Oakland.
- (19) Residence, Fallon House, Petaluma.

Oregon

- (1) Ladino Cheese Factory, Eagle Point, Jackson County.

The properties remaining unsold and apparently not subject to reclamation proceedings by individuals are the following:

Southern California

- (1) Homesteaders' Life Building, 845 South Figueroa Street, Los Angeles, California.
- (2) Wavecrest Club, 1351 Ocean Front, Santa Monica.
- (3) Equipment of Beach Machine Shop, 216 Marine Avenue, Ocean Park.

Northern California

- (1) Seminary, 801 Silver Avenue, San Francisco.
- (2) Warehouse, 830 Folsom Street, San Francisco.
- (3) Warehouse, 70 Mary Street, San Francisco.
- (4) American Laundry, 585 East Empire Street, San Jose.
- (5) Residence, 364 South Fifth Street, San Jose.
- (6) Residence, 68 South Tenth Street, San Jose.
- (7) Residence, 64 South Tenth Street, San Jose.
- (8) Residence, 456 North Third Street, San Jose.
- (9) Residence, 67 South Fifth Street, San Jose.
- (10) Residence, 795 East Seventh Street, Redwood City.
- (11) Petaluma Laundry, Petaluma, Sonoma County.

Oregon

- (1) Hanley Ranch and equipment, Jackson County.
- (2) Residence at Eagle Point, Jackson County.
- (3) Galbreath Auto Court, Eagle Point, Jackson County.
- (4) Hillcrest Bulb Gardens, Grants Pass, Josephine County, consisting of Grants Pass Hotel, two warehouses and equipment, one in Grants Pass and the other on the Redwood Highway near Grants Pass, residence and equipment on Redwood Highway, New Hope Ranch and equipment near Redwood Highway, accounts receivable, and stock of gladiola bulbs.
- (5) Automotive equipment located at New Hope Ranch.
- (6) Livestock—cows and horses—located upon Hanley Ranch.

- (7) Miscellaneous rolling stock and equipment.
- (8) Little Butte Creek Hydro-Electric Power Plant, located on Hanley Ranch.

There are some properties listed as assets in the bankrupt's amended schedules filed March 17, 1946, titles to which have not yet been questioned, but which appear to have little or no value. These are:

- (1) Salmon Lake Resort, Sierra City, Calif. The schedules state that the Church has not any clear title to the property and that the former owner held only a mining claim.
- (2) Shady Nook Ranch, Colfax, Calif.

There are certain properties to which the Trustees claim title and possession, but such claims are questioned by former owners and are in litigation:

- (1) Residence, 8433 Harold Way, Los Angeles. Claimed by Ruby V. Chapman, the wife of Arthur L. Bell, the President of the bankrupt corporation.
- (2) Petersen's Cafe, Los Angeles. Claimed by Peter Petersen, a Church member.
- (3) Your Foods Fountain, San Bernardino. Claimed by Peggy Lou Riker, a Church member—Robert L. Riker, a former Church member.
- (4) Residence, 10 Hillside Circle, Burlingame, San Mateo County. Claimed by Ruby V. Chapman, the wife of Arthur L. Bell, the President of the bankrupt corporation.
- (5) Residence, 281 Granada Street, San Francisco. Claimed by Louis J. Glenn and wife, Church members.

- (6) Ace Iron Works, 9-12 Decatur Street, San Francisco. Claimed by Hans Brand, a Church member.
- (7) Papenhausen Hardware Store, 32 West Portal, San Francisco. Claimed by Henry Papenhausen, a Church member.
- (8) Placer County Co-Operative Lumber Company, sawmill, Forest Hill, Placer County. Claimed by August Ebbert and wife, Church members.
- (9) Proceeds of sale of plumbing supplies upon Hanley Ranch in Jackson County, Oregon, claimed by Geo. D. Patrick.
- (10) Rolling stock—autos, trucks, etc.—about 150 in number, scattered throughout California and Oregon. Claimed by Church members.
- (11) Furniture and household equipment stored in the warehouses at 830 Folsom Street and 70 Mary Street, San Francisco. Claimed by Church members.
- (12) Allegretti property, Casino Garage—store, garage and residence, 2135-41 35th Avenue, Oakland.
- (13) Residence, 1615 Lincoln Avenue, Berkeley. Claimed by Mr. and Mrs. Cooley, former Church members.
- (14) Residences at 450 and 452 62nd Street, Oakland. Claimed by Mr. and Mrs. Thomas, Church members.

The bankrupt claimed title to the Kimball Cannery, and a residence adjoining, in Redlands. But investigation disclosed that the estate had little, if any, equity in property and title thereto was abandoned by order of court. The

Trustees claimed title to residence property in Redwood City formerly owned by Nellie Paget, but she disputed the title and litigation followed; this resulted in a compromise where the property was deeded back to her by the Trustees upon the payment by her of a sum of money, which compromise was approved by the court.

The bankrupt's amended schedules (Supplement No. 4 to Schedule B-1), filed Mar. 17, 1946, disclosed a list of some 105 miscellaneous properties, consisting of ranches, homes and vacant lots scattered throughout California and elsewhere. Title to the properties had been conveyed to the Church but the bankrupt claimed it had not formally accepted the deeds and did not set up these properties as assets of the Church, although the deeds to the same had been recorded. The Trustees, under court instructions, have not yet taken over, or attempted to take over, actual possession of these properties, or paid taxes thereon, or commenced any proceedings with reference to the title thereto. It has been felt that action as to these properties, under the circumstances, should be deferred until it appeared that the estate itself was insolvent and an endeavor was necessary to realize something from these particular properties. The litigation that would probably follow if any attempt were made to take over these properties would probably be long and expensive.

The bankrupt recently instituted, and is now prosecuting, proceedings under Chap. XI of the Bankruptcy Act for an arrangement with its creditors. The case was referred to Referee Brink by the District Judge for further proceedings; and the arrangement proposed by the bankrupt has been accepted in writing by creditors holding the required number and amount of claims. Confirmation is being deferred, however, until it is ascertained how much

money must be deposited to cover priority claims and expenses of administration. The only priority claims are those of the federal and state governments for taxes for the calendar years 1944 and 1945. These have been filed for very large amounts: The federal government for nearly \$1,250,000.00 and the state government for some \$350,000.00. The Trustees' counsel prepared and filed objections to the allowance of these claims. The objections were partially heard and the Referee made tentative oral rulings thereon. The hearing was then adjourned until the official auditors of the estate, in co-operation with a federal revenue agent, could obtain all the facts and figures. This investigation has been completed; and it indicates that the actual amount of taxes allowable as priority claims against the estate will be greatly less than the face of these claims, and it may be that the claims could be disallowed altogether. However, in view of the long expense and delay that would probably be involved in litigation over the claims, the Referee has authorized the Trustees to negotiate with the federal government for a settlement of their claims on the basis of \$125,000.00, at 6% per annum from Mar. 15, 1946, and with the state government for a settlement of their claims upon a basis later to be determined by the Referee. The results of sales of properties by the Trustees were such that nearly \$600,000.00 profit was realized over and above the original cost. The estate will probably be liable for capital gains taxes, federal and state, by reason thereof for the calendar years 1946 and 1947. There will probably not be any income taxes due owing to losses in the operation of the bankrupt's business.

The creditors who have filed claims against the estate are divided into the following classes: (1) secured; (2)

priority; (3) general; (4) claims presented by former members of the Church who are usually designated as "Dissenters"; and (5) claims filed by members of the Church who are usually designated as "Loyalists." It is conceded that Classes (4) and (5) must be deferred in payment until all allowed expenses of administration, and allowed claims of Classes (1), (2) and (3) have been paid; and that Class (4) takes precedence over Class (5). Claims in Classes (1), (2) and (3) have been fixed and allowed or disallowed after consideration by the Referee of objections presented by the Trustees through their counsel. Objections to claims in Classes (4) and (5) have not yet been presented to the Referee for consideration. If the tax claims are substantially reduced in their allowance, the probability is that the estate itself will be solvent and there will be a surplus available for distribution to the allowed claims of Classes (4) and (5). It appears now, from all indications, however, that a fund of from \$750,000.00 to \$1,000,000.00 will be required to satisfy allowed expenses of administration and allowed claims of Classes (1), (2), (3) and (4). The Trustees have on hand, or in contemplation from pending sales and escrows, about \$600,000.00. It is necessary that liquidation of more properties of the estate be continued for some time. The persons involved in Class (5) have been carrying on litigation before the District Judge with respect to requiring the Trustees to either suspend litigation until the tax claims are determined, or to sell in a certain sequence. The District Judge recently denied the petition of these persons to accomplish this end; and they contemplate an appeal to the Circuit Court of Appeals for the Ninth Circuit for this purpose.

Many petitions in reclamation have been filed and prosecuted relating to properties standing in the name of the

Church based upon alleged fraud, failure of consideration, etc. Many have been granted. Others are still in litigation. The files of the Referee disclose the details and proceedings relative to such proceedings. Referee Brink rendered a decision in the so-called "White Case," wherein he held that the Church had acquired the White property through the fraud of the bankrupt and Arthur L. Bell, its President, and that there had been a failure of consideration. This White case has been the basis of many of these reclamation proceedings. The Referee's decision is on appeal.

The Trustees and their counsel have been engaged in constant and costly litigation ever since the commencement of their administration of the estate in January, 1946. Such litigation is increasing instead of abating. This litigation arises out of disputes over titles, petitions in reclamation, and efforts to prevent the closing down of the operation of the business and a general liquidation, all with members or former members of the Church. If the plan of arrangement is confirmed and consummated, it is anticipated that this litigation will largely cease, inasmuch as one of the objects of the plan is to terminate this liquidation as far as is possible. But, in the meantime, it is vitally necessary to the welfare of the estate that such litigation be pressed to a final conclusion by counsel for the Trustees.

The foregoing recital reflects generally the services of the Trustees. For many months they maintained an office at 836 Board of Trade Building, 111 West Seventh Street, Los Angeles; and lately moved the office to 215 Central Building, Sixth and Main Streets, Los Angeles. N. L. Nagler has acted as the Trustees' agent in Oregon; and John Costello and H. E. North, V. W. Erickson and

J. O. England, in succession, have acted as the Trustees' agent in Northern California; and Edwin Ridgway has acted as the Trustees' agent in Southern California and in connection with some matters in Oregon. Frank A. Reddall has acted as secretary for the Trustees. The Trustees have held frequent meetings, have kept files of all papers involved; and have endeavored to function the same as would a competent Board of Directors of a corporation who were engaged in temporarily operating a business and ultimately liquidating and reducing to cash the assets of that business and of the corporation. A. J. Kuhler has acted as office auditor for the Trustees. For a long time Bess A. Aldrich acted as bookkeeper for the Trustees. The official auditors for the estate, appointed by the court, are Arthur Young and Company, of 629 South Hill Street, Los Angeles. In the performance of their services the Trustees have been required to hold many conferences among themselves, and with their counsel, conduct a large volume of correspondence, interview many people and attend many court sessions. The Trustees divided up their work so that they acted together on major matters and questions of policy, but left minor details in Southern California to Trustee Boteler, in Northern California to Trustee Sampsell, and in Oregon and Imperial Valley to Trustee McKee.

The Trustees hold some \$30,000.00 in trust, awaiting the outcome of pending litigation over the title thereto between them and third persons. Trustees' Counsel have conducted extensive examinations under Sec. 21a of the

Bankruptcy Act of officers and agents of the bankrupt and others, endeavoring to locate any concealed or undisclosed assets. These examinations have not resulted in anything tangible. The Trustees and their counsel have found it to be extremely difficult, in many instances, to obtain information regarding the bankrupt's affairs from members, associates and affiliates. Early in the administration Arthur L. Bell, the bankrupt's President, circularized such members, associates and affiliates and instructed them not to give out any information to anyone and to let all information be channeled through him alone.

Attached hereto and made a part hereof is a statement of the cash receipts and disbursements of the Trustees since the filing of their first account and report and also a summary of the cash receipts and disbursements January 4, 1946, to April 8, 1947. This discloses that there has been received into the estate the total of \$2,721,085.12 and disbursed therefrom a total of \$2,169,698.85, leaving a balance on hand of \$551,386.27. The Trustees have received the sum of \$20,000.00 on account of their commissions under Sec. 48 of the Bankruptcy Act, which sum has been equally divided between them. They seek at this time a further allowance of \$23,533.97, based upon \$11,766.98 for ordinary compensation under Sec. 48c(1) of the Bankruptcy Act, and \$11,768.99 for extraordinary compensation arising out of the operation of the business, under Sec. 48c(2) of the Act.

Wherefore, Paul W. Sampsell, L. Boteler and Stewart McKee, as such Trustees, pray that this second account

and report be approved by the court, and Trustee McKee be discharged, and the compensation of the Trustees Sampsell, Boteler and McKee be fixed and allowed in full for all services to April 8, 1947, all after due notice to creditors; and for general relief.

Dated: May....., 1947.

L. BOTELE,
PAUL W. SAMPSELL,
STEWART MCKEE,
Trustees.

GRAINGER AND HUNT,
IRVING M. WALKER,
By KYLE Z. GRAINGER,
JOHN L. MARTIN,
Attorneys for Trustees.

State of California, County of Los Angeles—ss.

Paul W. Sampsell, L. Boteler and Stewart McKee, being each first duly sworn, deposes and says, each for himself and not one for the other: I have read the foregoing second account and report and application for compensation; and the same is true to the best of my knowledge, information and belief.

Except as among ourselves, no agreement or understanding exists between any one of us and any other person for a division of compensation. No agreement, written or oral, express or implied, has been entered into between any one of us and any other party in interest, or any attorney of any other party in interest, for the purpose of fixing the amount of any fees or other compensation to be paid herein to any party in interest or any attorney of any other party in interest for services rendered in this case, either in violation of the so-called Borah Act of Congress of the United States of Aug. 25, 1937, or otherwise.

L. BOTELEER.

PAUL W. SAMPSELL.

STEWART MCKEE.

Subscribed and sworn to before me this 18 day of ~~May~~,
(ink) June
1947.

(Seal)

ADELE O. CARVER,

*Notary Public in and for the County of Los Angeles,
State of California.*

CHRIST'S CHURCH OF THE GOLDEN RULE
SUMMARY OF CASH RECEIPTS AND DISBURSEMENTS
January 4, 1946—April 8, 1947

| | | |
|-----------------------------|----------------|---------------------|
| Receipts as per report | | |
| Jan. 4—June 30, 1946 | \$1,344,603.86 | |
| Receipts as per report | | |
| July 1, 1946—Apr. 8, 1947 | 1,376,481.26 | |
| | <hr/> | \$2,721,085.12 |
| Disbursements as per report | | |
| Jan. 4—June 30, 1946 | 1,040,404.60 | |
| Disbursements as per report | | |
| July 1, 1946—April 8, 1947 | 1,129,294.25 | |
| | <hr/> | 2,169,698.85 |
| Cash on hand April 8, 1947 | | <hr/> \$ 551,386.27 |

SUMMARY OF CASH RECEIPTS AND DISBURSEMENTS
July 1, 1946 to April 8, 1947

| | | |
|--|---------------|----------------------|
| Cash balance previous report | | \$ 304,199.26 |
| <i>Receipts:</i> | | |
| Project operations | \$ 360,808.07 | |
| Sales of real and personal property | 934,871.86 | |
| Deposits on real estate bids and sales | | |
| pending litigation | 66,927.32 | |
| Miscellaneous rentals | 2,481.18 | |
| Miscellaneous receipts | 11,392.83 | |
| | | 1,376,481.26 |
| | | <hr/> \$1,680,680.52 |
| <i>Disbursements:</i> | | |
| Project operations | \$ 418,031.92 | |
| Deposits on real estate bids and | | |
| sales pending litigation | | |
| returned by Trustees | 75,495.69 | |
| In connection with real estate | | |
| sales, including liens on | | |
| property sold | 331,836.24 | |

| | |
|--|---------------|
| Real estate and personal | |
| property taxes | 20,796.20 |
| Payment on real estate liens | 65,165.52 |
| Payment on personal property liens | 3,184.07 |
| Payment on prior claims | 1,508.70 |
| Appraisal fees | 748.60 |
| Court reporters' fees | 4,173.05 |
| Trustees' agents—salaries and expenses | 28,320.86 |
| Caretakers, inventories, State | |
| receivers, detectives—salaries | 11,104.58 |
| Social Security taxes on salaries | 1,169.46 |
| Federal income withholding tax | |
| withheld from salaries | 3,583.93 |
| Traveling expenses—Trustees and | |
| attorneys | 3,485.19 |
| Insurance premiums | 25,355.24 |
| Advertisements for sale—signs, | |
| newspapers, etc. | 2,427.61 |
| Office rent | 1,097.50 |
| Stationery and office supplies | 579.56 |
| Telephone and telegraph | 559.64 |
| Referees, attorneys, Trustees, | |
| etc.,—fees and expenses | 115,435.96 |
| Miscellaneous | 15,234.73 |
| | 1,129,294.25 |
| | <hr/> |
| Cash on hand April 9, 1947 | \$ 551,386.27 |
| | <hr/> |

RECEIPTS

Project Operations

| | |
|-------------------------|-------------|
| Beach Machine Works | \$ 8,846.37 |
| Beach Properties | 637.20 |
| Casa Blanca Hotel | 20,705.62 |
| West Adams Gardens | 1,712.33 |
| Homestead Life Building | 97.50 |
| Petersen's Cafe | 28,837.01 |
| Stratford Hotel | 23.31 |
| Tip Top Hotel | 13,782.72 |
| Your Foods Fountain | 22,684.66 |
| Your Laundry | 2,986.52 |
| Ace Iron Works | 8,062.54 |

| | |
|--|-----------|
| Aladdin Products | 764.42 |
| American Laundry | 47,734.34 |
| Denman Garage | 18,698.31 |
| Denton James Sawmill | 2,033.44 |
| Golden Rule Bakery | 4,141.82 |
| Kean Hotel | 15,546.43 |
| Nellie O. Paget | 1,692.13 |
| Papenhausen Hardware | 20,605.13 |
| Petaluma Laundry | 5,500.00 |
| Paradise Meadows | 5,953.69 |
| Ladino Cheese Factory | 29,431.56 |
| New Hope Ranch | 825.13 |
| Grants Pass Hotel | 5,177.25 |
| Auction Sale, Oregon | 60,225.60 |
| Placer County Co-Operative Lbr. Co. | 8,524.14 |
| Rancho Dos Palmas | 10,322.85 |
| Silver Avenue Seminary | 2,144.83 |
| Your Building Materials | 9,726.09 |
| Your Parking Station | 149.98 |
| Ziegler's Creamery | 575.86 |
| Imperial Valley Hotel | 2,659.29 |

\$ 360,808.07

Sale of Real and Personal Property

| | |
|--|--------------|
| Ziegler's Dairy | \$ 16,580.95 |
| 337-337½ South Hill St., L. A. | 71,064.35 |
| West Adams Gardens | 152,200.19 |
| Santa Monica Athletic Club | 71,804.70 |
| Lots 3, 4, 5, & 6, Block 4, Monterey | 4,671.30 |
| Lot 55, Tract 7737, Carlton Way | 7,000.00 |
| 4000 Greenwood, Oakland | 6,300.00 |
| Denton James Sawmill, Willits, Cal. | 49,379.78 |
| 3827 Clement St., Oakland | 11,925.47 |
| Pacific Grove, Monterey | 1,425.00 |
| Lot Erie, Pennsylvania | 500.00 |
| 952-4 Ashbury St., San Francisco | 15,500.00 |
| 3072 Bayshore Highway, Redwood Cy. | 8,262.50 |
| Flats and stores, Ocean Park | 22,921.91 |
| Kean Hotel & Mission Parking Lot, S. F. | 85,027.75 |

| | |
|-----------------------------------|------------|
| Palomarin Rancho | 2,250.00 |
| Casa Blanca Hotel, Ontario | 75,709.83 |
| Tip Top Hotel, Azusa | 48,075.33 |
| Sorrento Beach Club, Santa Monica | 169,440.46 |
| 4516 E. 56th St., Maywood | 7,522.99 |
| Fallon House, Petaluma | 9,050.00 |
| Your Laundry, Maywood | 36,490.07 |

RECEIPTS

Sale of Real & Pers. Property, Cont.

| | |
|------------------------------------|--------------|
| Calif. Bank Bldg., Ocean Park | \$ 57,365.32 |
| Denman Garage | 2,000.00 |
| Nellie O. Paget | 288.96 |
| Golden Rule Bakery, equip., S. F. | 315.00 |
| Rancho Dos Palmas, Gladiolus Bulbs | 1,500.00 |
| 151 Safe Deposit Boxes | 300.00 |

\$ 934,871.86

Deposits on Real Estate Bids and Sales

Pending Litigation

| | |
|--|-----------|
| George H. Petersen | \$ 100.00 |
| U. S. Treasury | 8,780.65 |
| Oregon Auction Sales, plumbing supplies | 15,181.20 |
| Pasha Pochigean | 200.00 |
| George Young | 5,350.00 |
| Edward Hale | 460.00 |
| D. Sugar | 810.00 |
| Stafford Hannon | 1,310.00 |
| Imperial Investment Co. | 600.00 |
| Bernard Bros. | 3,000.00 |
| E. W. Barryessa | 3,450.00 |
| L. Tobler | 150.00 |
| J. A. Franse | 660.47 |
| R. M. Pilson | 200.00 |
| L. K. Shortak | 3,250.00 |
| Jacob Van der Vlag | 2,700.00 |
| M. D. Hounshell | 2,175.00 |
| Alex Benjestore | 6,350.00 |
| Joseph B. Gould | 12,200.00 |

\$ 66,927.32

Miscellaneous Rentals

| | | |
|------------------------------|----|--------|
| 337 Hill St. | \$ | 372.68 |
| 3101 Main St. | | 150.00 |
| 974 Indiana Ave. | | 225.00 |
| 161 Marine St., Ocean Park | | 600.00 |
| 5600 Atlantic Blvd., Maywood | | 312.50 |
| 795—7th Ave. | | 9.00 |
| Dairy Rancho Dos Palmas | | 800.00 |
| 64 South 10th, San Jose | | 12.00 |

\$ 2,481.18

Miscellaneous Receipts

| | | |
|---|----|----------|
| Wm. B. Mikulich—P. W. Sampsell, bal. 1st and final accounting | \$ | 6,430.77 |
| Wm. B. Mikulich—P. W. Sampsell, Anc. Rec. revolving fund | | 916.71 |
| J. W. Connors, refund advancement recording documents | | 1.50 |
| Lee Leads, refund ins. premium | | 5.25 |
| Chas. R. Hadles, refund State Rec. account | | 30.95 |
| Sale of cattle | | 312.00 |
| Union Bank & Trust Co., refund lighting assessment | | 71.33 |

RECEIPTS

Miscellaneous Receipts, Cont.

| | | |
|---|----|--------|
| Jackson Diggs, return premium earthquake insurance | \$ | 90.56 |
| Loyalty Group, return premium Wavecrest | | 120.62 |
| Aetna Insurance Co., ret. prem. insurance | | 27.53 |
| St. Paul F. & M. Ins. Co. payment re accident to car Sacramento | | 156.86 |
| Werner Tobler, sale of del. trk. | | 283.50 |
| Denton James | | 60.35 |
| Dept. Motor Vehicles, ret. fee | | 6.00 |
| Pacific Gas & Elec. Co., refund of deposit | | 152.67 |
| Wm. E. Bonton, ret. ins. premium | | 9.30 |

| | |
|---|--------|
| Sec. of State, Oregon ret. of fee auto license | 5.00 |
| T. I. G. Co., S. F., refund on taxes, Brawley property | 97.91 |
| Howard Gault, rebate of taxes Paradise Meadows | 19.32 |
| Marian T. Huff, refund penalty and interest taxes on Harold Way | 152.92 |
| Ruby V. Chapman, refund expenses Burlingame controversy | 200.00 |
| Pearl Assurance Co., motor vehicle | 42.07 |
| Stuventant Ins. Co., loss and damage Your Laundry | 259.38 |
| Travelers Ins. Co., return premium Victoria Ave. house & Hartford Ave. | 37.73 |
| Calif. Trust Co., balance 1945 escrow Your Laundry | 92.15 |
| W. Tobler, sale of manure | 300.00 |
| Pac. Tel. & Tel. Co., refund of deposit and interest | 430.00 |
| Estes Snedecor | 50.03 |
| Nellie O. Paget | 35.00 |
| Searle Bush, Homesteaders' part of telephone bill | 44.46 |
| Philip Cabibis, reimb. of part phone bill | 30.38 |
| St. Paul F. & M. Ins., payment of fire loss, Your Laundry | 719.56 |
| Mercury Ins. Co., S. F., fire damage Galbreath house | 75.60 |
| Pacific Gas & Elect., refund overpayt. | 8.87 |
| Dept. Water & Power, refund overpayment | 6.28 |
| St. Paul Ins., fire loss Tip Top Hotel | 77.53 |
| St. Paul Ins., fire loss Tip Top Hotel | 31.94 |
| So. Calif. Gas, overpayment of gas bill 5602 Atlantic | .80 |

\$ 11,392.83

DISBURSEMENTS

Project Operations

| | |
|----------------------------|-------------|
| Beach Machine Works | \$ 2,990.71 |
| Beach Properties | 9,051.68 |
| Casa Blanca Hotel | 19,211.97 |
| West Adams Gardens | 1,438.11 |
| Homestead Life Building | 4,527.88 |
| Petersen's Cafe | 25,845.38 |
| Stratford Hotel | 5,403.67 |
| Tip Top Hotel | 8,831.37 |
| Weavers of the Golden West | 161.75 |
| Your Foods Fountain | 19,833.30 |
| Your Laundry | 2,294.86 |
| Ace Iron Works | 6,136.42 |
| Aladdin Products | 205.09 |
| American Laundry | 44,038.67 |
| Denman Garage | 13,984.81 |
| Denton James Sawmill | 5,284.27 |
| Golden Rule Bakery | 3,609.99 |
| Kean Hotel | 9,844.45 |
| Nellie O. Paget | 2,698.93 |
| Papenhausen Hardware | 22,644.10 |
| Hillcrest Bulb Gardens | 61,452.22 |
| Paradise Meadows | 12,932.13 |
| Ladino Cheese Factory | 32,251.57 |
| New Hope Ranch | 1,963.27 |
| Galbreath Auto Court | 1,238.52 |
| Grants Pass Hotel | 2,541.05 |
| Oregon Projects | 12,509.88 |
| Auction Sale Oregon | 4,227.68 |
| Placer County Co-Operative | |
| Lbr. Co. | 6,217.24 |
| Rancho Dos Palmas | 17,675.19 |
| Silver Avenue Seminary | 38,382.90 |
| Your Buildings Material | 13,935.41 |
| Your Parking Station | 131.16 |
| Ziegler's Creamery | 3,615.62 |
| Imperial Valley Hotel | 920.67 |

\$ 418,031.92

*Deposits on Real Estate Bids and Sales
Pending Litigation, returned by Trustees*

| | |
|---|--------------|
| N. L. Nagler, reimb. exp. auction | |
| sales, plumbing supplies | \$ 1,962.54 |
| George Young | 5,350.00 |
| Edward Hale | 460.00 |
| Stafford Hannon | 8,780.65 |
| Alex Benjestore | 6,350.00 |
| H. Von Norris | 150.00 |
| Transferred to General Account, deposits reported previous accounting | 52,442.50 |
| | <hr/> |
| | \$ 75,495.69 |

DISBURSEMENTS

*Sale of Real and Personal Property—Including LIENS
337½ South Hill St.*

| | |
|----------------------------------|--------------|
| Title Ins. & Trust Co.—principal | \$ 24,975.88 |
| “ “ “ “ “ interest | 1,144.77 |
| Pro rata taxes | 1,647.98 |
| Adjustment—rentals | 100.01 |
| Revenue stamp | 78.10 |
| Escrow fees | 71.00 |
| Title Insurance Co. charge | 187.00 |
| Recording fees, etc. | 8.15 |
| | <hr/> |
| | \$ 28,212.89 |
| | <hr/> <hr/> |

West Adams Gardens

| | |
|--------------------------------|--------------|
| Aetna Life Insurance Co.—prin- | |
| cipal | \$ 42,752.55 |
| “ “ “ “ inter- | |
| est | 354.94 |
| Adjustments—taxes | 238.19 |
| “ rents | 639.66 |
| Title Company charge | 323.00 |
| Escrow fees | 126.00 |
| Revenue stamp | 103.95 |
| Recording fees, notary, etc. | 3.75 |
| | <hr/> |
| | \$ 44,542.04 |
| | <hr/> <hr/> |

Santa Monica Athletic Club

| | |
|------------------------------|--------------|
| Title Ins. & Trust Co.—prin- | |
| cipal | \$ 27,278.36 |
| " " " " "—inter- | |
| est | 155.35 |
| Commission | 3,500.00 |
| Adjustments—taxes | 331.49 |
| " fire insurance | 103.56 |
| Title Company charge | 185.00 |
| Escrow fee | 70.00 |
| Revenue stamp | 77.00 |
| Recording fees, etc. | 6.50 |
| | <hr/> |
| | \$ 31,707.26 |
| | ===== |

Lots 3, 4, 5, & 6, Block 4, Monterey, Calif.

| | |
|---------------------------------|-------------|
| Monterey Savings & Loan—prin- | |
| cipal | \$ 3,296.35 |
| " " " "—inter- | |
| est | 106.19 |
| Title Company charge | 48.00 |
| Revenue stamp | 5.50 |
| Attorney fees | 75.00 |
| Recording fees, etc. | 65.93 |
| | <hr/> |
| | \$ 3,596.97 |
| | ===== |

Lot 55, Tract 7737, Carlton Way

| | |
|-----------------------------|-------------|
| Harold J. Block—principal | \$ 3,412.64 |
| " " " "—inter- | |
| est | 172.67 |
| Adjustment—taxes | 44.45 |
| Attorney fees | 200.00 |
| Foreclosure charges accrued | 10.00 |
| | <hr/> |
| | \$ 3,839.76 |
| | ===== |

4000 Greenwood, Oakland

| | |
|-----------------------------|-----------|
| Commission, H. L. Bryan Co. | \$ 300.00 |
| Pro rata taxes | 64.25 |
| Taxes, 1944-45 | 48.63 |

| | |
|--------------------------|-----------|
| Escrow fees | 27.00 |
| Revenue stamp | 7.15 |
| Title charges | 10.50 |
| Recordings, notary, etc. | 8.50 |
| | <hr/> |
| | \$ 466.03 |
| | <hr/> |

DISBURSEMENTS

Sale of Real and Personal Property, Cont.

3072 Bayshore Highway, Redwood City

| | |
|------------------|----------|
| Title charge | \$ 23.00 |
| Adjustment—taxes | 23.80 |
| Revenue stamp | 8.80 |
| Escrow fee | 15.75 |
| Recordings, etc. | 3.40 |
| | <hr/> |
| | \$ 74.75 |
| | <hr/> |

Flats and Stores, Ocean Park

| | |
|-----------------------------------|-------------|
| Title Insurance & Trust Co.—prin- | |
| cipal | \$ 7,108.66 |
| “ “ “ “ “ inter- | |
| est | 59.25 |
| Adjustments—taxes | 505.46 |
| “ rents | 1.25 |
| Title charges | 77.50 |
| Escrow fees | 23.00 |
| Revenue stamp | 25.30 |
| Recordings, transfers, etc. | 8.25 |
| | <hr/> |
| | \$ 7,808.67 |
| | <hr/> |

Kean Hotel & Parking Lot

| | |
|------------------------------|--------------|
| San Francisco Bank—principal | \$ 30,046.56 |
| Herbst Bros.—principal | 12,182.49 |
| Revenue stamp | 85.80 |
| Title charges | 49.50 |
| Escrow fee | 25.00 |
| Recordings, etc. | 9.50 |
| | <hr/> |
| | \$ 42,398.85 |
| | <hr/> |

Palomarin Rancho

| | | |
|---------------|----|-------|
| Revenue stamp | \$ | 2.75 |
| Escrow fee | | 7.50 |
| Recording | | 3.30 |
| | | <hr/> |
| | \$ | 13.55 |
| | | <hr/> |

Casa Blanca Hotel

| | | |
|---|----|----------|
| 1st Natl. Bk., Ontario, pers. property | \$ | 453.85 |
| 1st Natl. Bk., Ontario—principal | | 4,394.47 |
| “ “ “ “ interest | | 50.54 |
| Commission | | 3,125.00 |
| Title charges | | 272.50 |
| Escrow fee | | 85.00 |
| Revenue stamps | | 82.50 |
| Tax adjustment | | 63.99 |
| Proceedings guaranteed | | 44.50 |
| Recordings, fees, etc. | | 12.25 |
| | | <hr/> |
| | \$ | 8,584.60 |
| | | <hr/> |

Tip Top Hotel, Azusa, Calif.

| | | |
|--|----|----------|
| Adjusting inventory | \$ | 15.98 |
| Pomona 1st Natl. Fed. Sav. & L. Assn. —prin- cipal | | 3,982.01 |
| “ “ “ “ “ “ “ “ inter- est | | 48.95 |
| Pomona Properties, Inc.—principal | | 1,372.26 |
| “ “ “ —interest | | 22.40 |
| Commission | | 2,375.00 |
| Escrow fees | | 48.00 |
| Title charges | | 140.00 |
| Revenue stamp | | 52.25 |
| Recordings, etc. | | 6.50 |
| | | <hr/> |
| | \$ | 8,063.35 |
| | | <hr/> |

DISBURSEMENTS

*Sale of Real and Personal Property, Cont.
Sorrento Beach Club*

Security-First Natl. Bank—

| | | |
|------------------------|--------------|-----------|
| | principal \$ | 44,523.27 |
| " " " " | — | |
| | interest | 79.07 |
| Title charge | | 348.50 |
| Escrow fee | | 134.50 |
| Revenue stamps | | 136.95 |
| Commissions | | 7,000.00 |
| Adjustment of taxes | | 1,172.75 |
| Recording | | 6.00 |
| Paid to escrow 2418766 | | 40.00 |

\$ 53,441.04

=====

4516 E. 56th St., Maywood

| | | |
|---------------------|-----------|-------------|
| Chester C. Kellogg— | principal | \$ 4,537.34 |
| " " " " | —interest | 49.90 |
| Adjustment of taxes | | 11.03 |
| Commission | | 375.00 |
| Title charge | | 40.00 |
| Escrow fee | | 13.50 |
| Revenue stamp | | 8.25 |
| Recordings, etc. | | 5.00 |

\$ 5,040.02

=====

Fallon House, Petaluma

Est. of James P. Fallon, dec'd—

| | | |
|----------------|--------|-------------|
| | prin- | |
| | cipal | \$ 2,100.00 |
| " " " " " " | — | |
| | inter- | |
| | est | 18.96 |
| Pro rata taxes | | 36.75 |
| Revenue stamps | | 10.45 |
| Title charge | | 12.00 |

| | |
|------------------------|-------|
| Escrow fees | 18.00 |
| Recordings, fees, etc. | 6.90 |

\$ 2,203.06

Your Laundry, 5600 Atlantic Blvd.

| | |
|------------------------|----------|
| Adjusting inventory | \$ 34.34 |
| Balance sales price | 108.43 |
| Adjust taxes | 85.61 |
| Title charge | 110.00 |
| Escrow fee | 36.00 |
| Revenue stamp | 39.60 |
| Recordings, fees, etc. | 2.00 |

\$ 415.98

Calif. Bank Building, Ocean Park

| | |
|---------------------------|--------------|
| California Bank—principal | \$ 15,015.77 |
| “ “ —interest | 256.03 |
| Pro rata tax | 160.91 |
| “ “ rent | 49.95 |
| Revenue stamp | 63.25 |
| Escrow fee | 75.00 |
| Title charge | 161.00 |
| Inventory adjustment | 160.00 |
| Recordings, etc. | 6.50 |

\$ 15,948.41

DISBURSEMENTS

*Sale of Real and Personal Property, Cont.**Denton-James Sawmill*

DeLancy Lewis & Doris B. Lewis

—prin-

cipal \$ 3,748.10

“ “ “ “ “

—inter-

est 113.22

West Coast Redwood Corp

| | | |
|---|---------|-----------|
| | —prin- | |
| | cipal | 27,366.70 |
| “ | “ | “ |
| | —inter- | |
| | est | 1,033.85 |

Stevenson Farm Equip. Co.

| | | |
|---|---------|----------|
| | —prin- | |
| | cipal | 4,274.28 |
| “ | “ | “ |
| | —inter- | |
| | est | 70.50 |

Stockton-Morris Plan Co.

| | | |
|---|---------|----------|
| | —prin- | |
| | cipal | 2,373.57 |
| “ | “ | “ |
| | —inter- | |
| | est | 69.22 |

M. J. Knier & J. L. Nolden,
shortage dely. of property
sold

926.32

Attorneys fees

150.00

Adjustment—taxes

142.38

Revenue stamp

57.20

Escrow fee

53.25

Title companies charges

67.00

Notary, recordings, etc.

15.00

\$ 40,460.59

=====

3827 Clement St., Oakland

Walter & Emily Bevans

\$ 3,140.00

Adjustment—taxes

55.40

Revenue stamps

13.20

Escrow fees

20.00

Title company charges

13.00

Recording fees, etc.

15.40

\$ 3,257.00

=====

Pacific Grove—Monterey

| | | |
|-------------------------|-------|-------|
| Pro rata taxes | \$ | 6.75 |
| Revenue stamp | | 1.65 |
| Escrow fees | | 15.00 |
| Title company charges | | 43.00 |
| Recording, notary, etc. | | 7.60 |
| | \$ | 74.00 |
| | ===== | |

Erie, Pa.

| | | |
|---------------------|-------|--------|
| Commission | \$ | 100.00 |
| Preparation of deed | | 5.00 |
| Revenue stamp | | .55 |
| Re-recording deed | | 3.20 |
| | \$ | 108.75 |
| | ===== | |

952-4 Ashbury St., San Francisco

| | | |
|---------------------------------|-------|----------|
| Evangeline Adam Spozio | \$ | 5,166.66 |
| Marion Adams—principal | | 2,603.94 |
| “ “ —interest | | 101.27 |
| Commission | | 150.00 |
| Adjustment—taxes | | 100.41 |
| Title charge | | 15.00 |
| Revenue stamps | | 17.05 |
| Escrow fees | | 15.00 |
| Recordings, fees, etc. | | 9.80 |
| Rebate as per Order of 11-25-46 | | 250.00 |
| | \$ | 8,429.13 |
| | ===== | |

DISBURSEMENTS

*Sale of Real and Personal Property, Cont.**Ziegler Dairy*

Placed in escrow with T.I.T. Co.

| | | |
|----------------------------|----|----------|
| Settlement | \$ | 6,680.95 |
| First Natl. Bk., Monterey— | | |
| “ “ “ “ — principal | | 6,374.71 |
| “ “ “ “ — interest | | 242.94 |

| | |
|----------------------------|----------|
| Orion S. & Halcyon Ziegler | 8,370.00 |
| Mrs. Paul Clinefelter | 500.00 |
| Attorney fees | 158.70 |
| Adjusting taxes | 636.54 |
| Title charges | 109.00 |
| Revenue stamp | 23.10 |
| Escrow fee | 25.00 |
| Recordings, notary, etc. | 27.50 |

\$ 23,148.44

=====

Nellie O. Paget, sale of interest

| | |
|---------------|---------|
| Revenue stamp | \$ 1.10 |
|---------------|---------|

\$ 1.10

=====

\$ 331,836.24

Real Estate and Personal Property Taxes

| | |
|--------------------------------|-------------|
| H. L. Byram | \$ 3,881.14 |
| Bureau of Assessments | 30.62 |
| Edward F. Bryant | 8,435.18 |
| A. A. Robinson | 6.00 |
| Fred R. Taylor | 10.23 |
| T. L. Munson | 211.04 |
| Gwen Johnson | 317.58 |
| W. A. McFadden | 112.18 |
| Tax Collector, City of Brawley | 124.28 |
| Security-1st Natl. Bank, L. A. | 2,777.73 |
| Roy P. Emerson | 1,554.08 |
| G. G. Batchelor | 319.94 |
| City Treasurer, Brawley | 56.03 |
| Howard Gault | 2,320.62 |
| City of Grants Pass | 76.19 |
| Lloyd Lewis | 545.93 |
| Grants Pass Irrigation Dist. | 17.43 |

\$ 20,796.20

DISBURSEMENTS

Payment on Real Estate Liens

| | |
|--------------------------------------|-------------|
| First Natl. Bank, Ontario— | |
| Casa Blanca Hotel | \$ 1,159.98 |
| Adolph Schwartz—Your Ldry. | |
| Bldg. | 2,756.06 |
| Calif. Bank, L. A.—Wavecrest | |
| Club | 3,528.00 |
| Calif. Bank, L. A.—Calif. | |
| Bank Bldg., Ocean Park | 1,500.00 |
| Los Angeles Athletic Club— | |
| Santa Monica Athletic Club | 400.00 |
| Security-First Natl. Bank, L. A.— | |
| Sorrento Club, Santa Monica | 10,260.00 |
| The San Francisco Bank, S. F.— | |
| Kean Hotel | 1,249.70 |
| Title Ins. & Trust Co.—Flats | |
| and stores, Ocean Park | 750.00 |
| 795-7th Ave., Menlo Park— | |
| Chester S. Kellogg | 25.00 |
| 4516 E. 56th St., Maywood | 700.00 |
| Pomona First Fed. Loan Assn., | |
| Pomona Tip Top Hotel | 900.00 |
| Surety Bldg. & Loan Assn., San Jose— | |
| Loan 4787 | 450.00 |
| Loan 4791 | 405.00 |
| Loan 4792 | 1,770.00 |
| Loan 4793 | 2,148.00 |
| Silver Av. Realty Co., St. Louis, | |
| Mo.—Silver Avenue Seminary | 9,000.00 |
| Independent Bldg. & Loan Assn., San | |
| Jose—456 N. 3rd St., San Jose | 506.80 |
| Charles A. Pugh—64 S. 10th St., | |
| San Jose | 1,067.08 |
| Herbst Bros.—Kean Hotel Parking Lot | 625.00 |
| Bank of America, Santa Clara— | |
| Rancho Dos Palmas | 5,518.75 |
| Bert Griffey, Oregon—Griffey | |
| Contract | 900.00 |

| | |
|---|-----------|
| Adolph Woodrich, Grants Pass, Ore.—Ladino Cheese Products | 560.00 |
| M. F. Hanley, Medford, Ore.— Paradise Meadows | 12,955.00 |
| U. S. Natl. Bank, Grants Pass Ore.—Galbreath Properties | 2,250.00 |
| Jackson County Fed. Loan Assn., Oregon—Galbreath | 246.40 |
| H. G. Plummer—Hillcrest Bulb Garden Contract | 2,544.00 |
| First Fed. Savings & Loan, Hunt- ington Park—Petersen's Cafe | 630.75 |
| Bank of America, San Bernardino— Green Acre Ranch | 360.00 |

\$ 65,165.52

DISBURSEMENTS

Payments on Personal Property Liens

| | |
|---|-----------|
| C. I. T. Corp.—Beach Machinery Equipment | \$ 528.52 |
| American Trust, S. F.—Silver Avenue Seminary | 888.15 |
| John Forthun—Your Laundry | 950.00 |
| Mrs. W. A. Riker, San Bernar- dino—Your Foods Fountain | 817.40 |

\$ 3,184.07

Payments on Prior Claims

| | |
|-----------------------------------|-----------|
| O'Connell Bros. | \$ 106.84 |
| C. L. Freeman | 149.72 |
| Golden State Meat Co. | 635.39 |
| Apartment & Hotel Laundry Service | 357.42 |
| Western Fish Company | 168.90 |
| Olson Bakery | 90.43 |

\$ 1,508.70

Appraisal Fees

| | |
|-------------------|----------|
| B. J. Abbrott | \$ 99.80 |
| A. J. Cranford | 87.50 |
| M. E. Kohler | 50.00 |
| John O'B. Bodkin | 56.25 |
| C. R. Cheek | 56.25 |
| C. M. Applestill | 56.25 |
| Carl R. Beebe | 210.80 |
| R. I. Oaks | 37.50 |
| Thos. M. Earl | 43.75 |
| John Jardine | 38.00 |
| Wallace E. Peters | 12.50 |

\$ 748.60

Court Reporters' Fees

| | |
|------------------|-------------|
| Clifton Clay | \$ 2,840.75 |
| Carolyn R. Blair | 1,192.30 |
| Albert Bargion | 90.00 |
| W. E. Newlon | 50.00 |

\$ 4,173.05

*Trustees' Agents and Employees
Fees, Salaries and Expenses*

| | |
|--------------------|-------------|
| Frank A. Reddall | \$ 2,250.49 |
| N. L. Nagler | 11,557.46 |
| Lillian E. Forbes | 865.10 |
| Street & Costello | 3,987.94 |
| Edwin R. Ridgway | 3,554.24 |
| M. Jeannette Ummel | 101.10 |
| Virginia N. List | 55.10 |
| A. J. Kuhler | 2,878.02 |
| V. E. Erickson | 1,264.58 |
| John O. England | 1,693.33 |
| Ralph E. Williams | 113.50 |

\$ 28,320.86

DISBURSEMENTS

*Salaries—Caretakers, State Receivers,
Detectives, etc.*

| | |
|----------------------------|----------|
| Al Bashin | \$ 25.00 |
| A. J. Johnson | 108.55 |
| C. H. Manaugh | 162.80 |
| Norman Walton | 81.60 |
| J. C. Hoffman | 115.60 |
| Martin Riley | 31.88 |
| N. M. Hohstadt | 48.78 |
| Ross Beauchamp | 20.00 |
| Pinkerton Natl. Detectives | 477.44 |
| Thos. M. Earl | 681.31 |
| R. E. Post | 236.97 |
| Elias Sorras | 92.74 |
| R. E. Quinlan | 120.58 |
| H. N. Olson | 24.00 |
| Geo. John Navraides | 63.42 |
| Stanley J. Nietzel | 33.32 |
| H. J. Haasch | 67.23 |
| Frank Poole | 735.16 |
| Searle Bush | 832.10 |
| John Forthun | 727.80 |
| Grover Cottingham | 39.23 |
| Carlton S. Carver | 139.85 |
| Louis Foland | 312.60 |
| Martha O'Brien | 104.20 |
| Mabel W. Roy | 364.70 |
| Blanche Heinricy | 652.57 |
| Selma M. White | 61.76 |
| Estella T. Regotti | 217.80 |
| Dora Walker | 653.40 |
| Earl Taylor | 1,226.18 |
| Anna McAlpine | 347.87 |
| Wm. Guy | 145.54 |
| Marie Bole | 403.16 |
| O. K. Smith | 300.00 |
| H. E. Beecroft | 786.80 |
| Carroll W. Pursell | 149.41 |
| D. B. Penick | 62.00 |
| Villad Villadsen | 127.33 |
| Alma E. Horning | 126.24 |

| | |
|--------------------------|--------|
| Milledge Walker | 174.41 |
| L. A. Board of Adjusters | 15.00 |
| Alice E. Wieder | 8.25 |

\$ 11,104.58

Traveling Expense

| | |
|------------------|-------------|
| Grainger & Hunt | \$ 2,012.04 |
| Paul W. Sampsell | 1,333.44 |
| John L. Martin | 64.74 |
| L. Boteler | 74.97 |

\$ 3,485.19

DISBURSEMENTS

*Referees, Attorneys, Trustees, etc.**Fees and Expenses*

| | |
|--|--------------|
| Walker, Grainger and Hunt, Attys. | \$ 37,500.00 |
| Connors, Shapro and Rothschild, Attys. | 6,532.98 |
| Norman A. Bailley, Atty. for State Court Receiver | 600.00 |
| R. E. Allen, State Court Rec. | 1,500.00 |
| P. W. Sampsell and Wm. B. Mikulich, Anc. Rec. | 5,000.00 |
| P. W. Sampsell, Stewart McKee, J. Ray Files, Rec. | 3,000.00 |
| L. Boteler, P. W. Sampsell, Stew- art McKee, Trustees | 20,000.00 |
| Benno M. Brink, Referee | 5,570.96 |
| Burton J. Wyman, Referee | 6,829.18 |
| Arthur Young & Co., Auditors | 28,902.84 |

\$ 115,435.96

Miscellaneous

| | |
|---|----------|
| V. Roy Ellis Co., opening chest, drayage and storage | \$ 95.00 |
| Laura Lindsay, notary fees | 48.50 |
| Title Ins. & Trust Co., lot book report 3 properties Ventura Co. | 4.50 |
| Grainger & Hunt, cost of record- ing deed | 1.20 |

| | |
|---|--------|
| Realty Tax Service, sketches of So. Calif. property | 14.71 |
| Dept. of Water & Power, closing bill, Highland Bakery | 8.38 |
| J. T. Chinnock, water rights, Ore. | 350.00 |
| Peggy Rogers, multi. re obj. to claims | 26.75 |
| Title Ins. & Guar. Co., recon. and release chat. mtg. Kean Hotel | 9.00 |
| County Recorder, Sierra Co., 3 cert. and recopying | 3.50 |
| Paul W. Sampsell, reimburse book- keeper and postage | 190.00 |
| State Board of Equalization, master permit, 13 projects | 12.00 |
| State Bd. of Equalization, master permit | 7.00 |
| Rapid Blue Print, photostat. Fed. tax claims | 52.43 |
| So. Calif. Gas Co., closing bill, Hill St. | 2.39 |
| Title Ins. & Guar. Co., stamps on deed Wesley L. Hokenson | 8.25 |
| E. H. Conders, serv. U. S. Dist. Ct. subpoena on Henry Papenhausen | 4.00 |
| Peggy Rogers, mimeo. notice obj. to claims | 54.75 |
| Alameda Co.—East Bay Title Ins. Co., 13 maps | 7.50 |
| John O'B. Bodkin, mileage for app. | 11.25 |
| Irving G. Glaser, adjust inv. S. M. A. C. | 53.68 |
| Benno M. Brink, print notice of meeting of creditors | 8.00 |

DISBURSEMENTS

Miscellaneous, Contd.

| | |
|---|-----------|
| E. E. Tool, bal. repair fire damage, Your Laundry | \$ 438.94 |
| Action Printing Svc., labor, eqpt. to complete painting. Your Laundry | 230.00 |

| | |
|---|----------|
| Title Ins. & Guar. Co., S. F., exp. for bookkeeping cards | 94.52 |
| H. E. Beecroft, painting, Novato Ranch | 10.00 |
| Speedy Attorney Svc., sub- poena, J. F. Moroney, Co. Clerk | 3.00 |
| E. H. Conders, process serv. fee— Brands | 4.00 |
| Benno M. Brink, exp. printing notice of sale | 55.50 |
| John Forthun, reimb. exp. & fire loss | 150.16 |
| Pioneer Title Ins. & Trust Co., report fees | 15.00 |
| State Bd. of Equal., int. due, extension period | 1.82 |
| Assoc. Tel. Co., closing bill, Sor. | 6.52 |
| P. W. Sampsell, reimb. misc. exp. | 12.93 |
| Clerk of U. S. Dist. Court, copy of Certification | 6.00 |
| Thos. M. Earl, showing stock, Denman Garage | 6.24 |
| So. Calif. Gas Co., bill Apt. 4, 5600 Atlantic | .80 |
| P. W. Sampsell, reimb. exp. book- keeper, postage | 197.00 |
| R. G. Carroll, Harry G. Pines, comm. | 7,500.00 |
| Marian Huff, pro rata utilities, Beach prop. | 105.60 |
| Water Dept. Santa Monica, svc. | 8.85 |
| Rapid Blue Print, Photostats Placer Co. Lbr. | 6.70 |
| Louis Weiner, notary fees, etc. | 7.48 |
| John Forthun, reimb. gas, phone, repairs | 47.24 |
| L. Boteler, reimb. postage, adv. | 40.00 |
| E. H. Conders, process service | 5.00 |
| So. Calif. Gas Co., closing bill 5603 Atlantic | 1.12 |
| P. W. Sampsell, reimb. exp. and postage | 185.00 |
| P. W. Sampsell, adv. carfare, etc. | 3.93 |

| | |
|---|--------|
| Natl. Plumbing & Heating Co., re- pair sewer | 9.00 |
| John Forthun, reimb. exp. Your Ldry. | 102.00 |
| Marian T. Huff, pro rata utilities, Beach prop. | 105.60 |
| Pioneer Title Ins. & Trust Co., reports | 35.00 |
| Salinas Title Guar. Co., reports for lit. | 45.00 |
| L. A. Stenographic Svc., mult. Your Building Materials | 132.21 |
| Water Dept. Santa Monica, closing bill | 3.45 |

DISBURSEMENTS

Miscellaneous, Cont.

| | |
|---|-----------|
| P. W. Sampsell, reimb. exp. bookkeeper, postage | \$ 183.50 |
| Paul P. O'Brien, est. exp. printing record vs Morrell | 280.00 |
| Saml. W. Bowe, cost exp. quiet title, Josephine Co., Ore. | 50.00 |
| Harry Skyrmann, cost of exp. quiet title, Jackson Co., Ore | 200.00 |
| Starring Plumbing, repairs Sorrento Club | 33.59 |
| A. A. Alert Letter Shop, typing stmts. for auditor | 2.50 |
| A. Todt, installation lock, Mary St. Whse. | 11.11 |
| Assoc. Tel. Co., svc. & tolls, Wavecrest | 23.27 |
| Bk. of America, wire charge on \$1200 check | .45 |
| Bk. of America, wire charge on cks. | 1.13 |
| So. Calif. Gas Co., svc., Bank Bldg., Wavecrest | 23.97 |
| James M. Connors, exp. re mailing notices, notary fees, telegrams, etc. | 198.64 |

| | |
|--|--------|
| Rapid Blue Print Co., blueprint re automobiles | 33.48 |
| Mary H. Norris, copy of amended schedules | 31.50 |
| Bk. of America, Santa Clara, cost of copying deed of trust | 2.50 |
| L. A. Stenographic Svc., mult. notices reception of bids, Novato | 112.42 |
| St. Paul Fire & Marine Ins. Co., cost of printing pictures 801 Silver Ave. | 8.97 |
| Nellie O. Paget, svcs. showing prop. 3072 Bayshore Highway | 40.00 |
| So. Calif. Tel. Co., svc. Home- stead 9/21-10/21 | 101.31 |
| Mayfield Car Co., exp. auction sale autos | 12.05 |
| Pioneer Title Ins. Co., lot report, Casa Blanca | 12.50 |
| Title Ins. & Trust Co., report on lot, 8440 Carlton Way | 1.00 |
| L. A. Stenographic svc., mult. & mailing notices sale Brawley prop. | 2.47 |
| Hunter's Duplicating Svc., postage circulars Casa Blanca sale | 20.00 |
| Assoc. Tel. Co., exch. svc. S.M.A.C. Oct. | 6.27 |
| Dept. Water & Power, elec. 974 Ind. | 6.28 |
| So. Calif. Gas Co., 10/8-11/8, 5602 Atlantic | .80 |
| Natl. Plumbing & Heating repair water heater, Wavecrest | 20.58 |
| P. W. Sampsell, refund exp. bookkeeper, postage | 197.00 |
| E. E. Tool, part payment rep. fire damage Your Laundry | 200.00 |
| Rapid Blue Print=inv. sheets | 8.76 |

DISBURSEMENTS

Miscellaneous, Cont.

| | |
|---|-----------|
| P. W. Sampsell, reimb. exp. bookkeeper, postage | \$ 182.00 |
| Title Ins. & Guar. Co., title pol. and recording deeds, Folsom St. Whse. | 62.20 |
| Abbey Locksmith Co., matls. & chg. locks, 70 Mary St. | 27.12 |
| E. H. Conders, serv. of subpoenas on Papenhausen | 4.00 |
| A. A. Alert Letter, typing find. of facts and order | 2.50 |
| Dick's Van & Storage, cartage records, Oakland to S. F. | 54.08 |
| Benno M. Brink, exp. printing notices meeting of creditors | 13.32 |
| So. Calif. Tel. Co., tolls and extra units | 43.51 |
| P. W. Sampsell, reimb. exp., bookkeeper and postage | 185.00 |
| Title Ins. & Guar. Co., report on prop. held in trust—Lot 43, Belvedere Gardens | 50.00 |
| L. B. Bd. of Adjusters, re adj. making copies | 14.05 |
| A. A. Alert Letter—typing order discontinuance of business | 1.23 |
| L. A. Stenographic Svc., multi. re Paradise Ranch and order discont. business | 143.17 |
| S. F. Chronicle, adv. Spozio home | 17.28 |
| Benno M. Brink, cost printing notice to creditors re sale | 49.66 |
| Rapid Blue Print, blue print Hillside Circle | 4.64 |
| So. Calif. Tel. Co., service | 69.49 |
| So. Calif. Gas Co., balance bill, Hill St. | 9.21 |

| | |
|---|--------|
| So. Calif. Edison Co., elec. bill, Wavecrest | 15.10 |
| So. Counties Gas Co., Wavecrest & Sorrento | 21.93 |
| L. A. Stenographic Svc., notice re- ceipt of bids, Redwood City prop. | 58.55 |
| L. A. Stenographic Svc., rec. bids Kean Hotel & Parking Lot | 141.33 |
| P. W. Sampsell, mimeo. letter re Seminary | 7.76 |
| Rapid Blue Print, map of Palomarin Ranch | 6.70 |
| Jack Byrne, exp. trip Reno to L. A. re interview with Trustees as per their request | 81.95 |
| Griffith & Griffith Safe Co., Storing deposit boxes | 99.00 |
| So. Calif. Gas Co., svc., 5602 Atltc. | 70.91 |
| Santa Monica Water Dept., service | 13.95 |
| So. Calif. Gas Co., svc. 924 Indiana | 2.87 |
| Assoc. Tel. Co. svc. 924 Indiana | 6.10 |
| So. Calif. Edison Co., closing bill S. M. A. C. | 40.94 |

DISBURSEMENTS

Miscellaneous, Cont.

| | |
|--|-----------|
| P. W. Sampsell, reimb. exp. bookkeeper, postage | \$ 189.00 |
| Grover Cottingham, hauling furniture | 30.00 |
| Pierce Trucking Co., moving safe | 17.77 |
| National Plumbing & Heating, repairs Wavecrest | 9.05 |
| John Forthun, reimb. utilities, Your Laundry | 36.75 |
| L. A. Stenographic Service, notices Imperial Valley | 111.91 |
| Harold L. Hagen, travel exp. 1/6-9 | 35.00 |

| | |
|--|--------|
| Parker & Co., appel. opening brief | 56.37 |
| C. R. Gregory, rede. Tip Top, fire loss | 69.00 |
| Nellie O. Paget, col. fees, 795-7th Ave. | 1.00 |
| Bekins Van & Storage Co., moving furniture to office | 49.70 |
| Smith Bros. Auto Trim, repair Chev. Pickup | 100.00 |
| H. Papenhausen, install plate glass, Golden Rule Bakery | 60.11 |
| R. A. Rowan, lettering door, Trustees' office | 15.40 |
| S. V. Sampiai, doctor bills before term. maint. | 210.50 |
| So. Calif. Edison Co., service, Your Laundry | 41.13 |
| Calif. Typewriter Exch., repairs | 17.50 |
| Franchise Tax Comm., tentative tax | 21.25 |
| Frank A. Reddall, reimb. stamps | 13.00 |
| Title Ins. & Trust Co., record. lot Your Laundry | 4.80 |
| Bruce Hudson Transfer, hauling rec. | 5.79 |
| Joe Du Prez, exp. Imperial Valley Sale | 15.00 |
| Frederick W. Lyttle, exp. Imp. Val. | 10.00 |
| Maywood Mutual Water Co., service Your Laundry | 1.00 |
| John L. Martin, exp. Imp. Valley Sales | 30.06 |
| Maywood Mutual Water Co., service Your Laundry | 1.00 |
| John Forthun, reimb. tel., Your Laundry | 7.02 |
| So. Calif. Gas Co., closing bill, Your Laundry | 2.88 |
| So. Calif. Gas Co., industrial service Your Laundry | 30.00 |
| Bank charge, S. F. revolving fund | .50 |

| | |
|--|--------------|
| Water Dept., Santa Monica, closing bill 3/1 | 3.75 |
| D. B. Penick, svcs. pet. & OSC 3/6-7 | 24.00 |
| Water Dept. Santa Monica, closing bill Calif. Bank Building | 1.40 |
| So. Calif. Edison Co., closing bill Your Laundry | 5.65 |
| Pioneer Title Ins. & Trust, pre- liminary report | 30.00 |
| Rapid Blue Print, sum. assets & liabilities, C. C. G. R. | 13.91 |
| P. W. Sampsell, reimb. expense, bookkeeper, postage | 88.53 |
| W. G. Anderson, overcharge auction sale bakery equipment | 2.00 |
| | <hr/> |
| | \$ 15,234.73 |

CHRIST'S CHURCH OF THE GOLDEN RULE
COMMENTS

In the amount of cash on hand (\$551,386.27) the following amounts were included; however, title to property is in dispute:

| | |
|---------------------------------------|-------------|
| Ace Iron Works | \$ 750.00 |
| Papenhausen Hardware Co. | 4,000.00 |
| Placer County Co-Operative Lumber Co. | 1,500.00 |
| Your Building Materials Co. | 2,500.00 |
| Petersen's Cafe | 5,848.17 |
| Your Foods Fountain | 3,488.43 |
| | <hr/> |
| | \$18,086.60 |
| | <hr/> |

No receipts were considered for period from Hillcrest Bulb Gardens, Oregon.

All Oregon projects were behind in receipts and disbursements; no accruals were made.

American Laundry receipts, as per the report, were to March 17. Amounts to be accrued would be: receipts, \$4,211.53; disbursements, \$1,750.56.

Petaluma Laundry figure is amount deposited during period. No accruals were made.

Activity between Trustees—Ace Iron Works, Papenhausen Hardware, terminated at time of termination of maintenance to members; Your Buildings Materials in November and Placer County in January—amount of business activity unknown.

No accruals were made concerning the activity of the Imperial Valley Ranches.

Endorsed: Filed Jun. 19, 1947, 3:25 p. m. Benno M. Brink, referee; Florence Robinson, clerk m.

Filed Sep. 10, 1947, 5 p. m. Edmund L. Smith, clerk; by F. Betz, deputy clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

Peter Petersen, Mrs. Peter A. Petersen, George Patrick, appellants, vs. Paul W. Sampsell, L. Boteler and McIntyre Faries, as Trustees in Bankruptcy of the Estate of Christ's Church of the Golden Rule, Bankrupt, respondents. No. 11874.

COUNTER-DESIGNATION OF TRUSTEES IN BANKRUPTCY
OF CONTENTS OF RECORD FOR PRINTING.

To Paul P. O'Brien, as Clerk of the Above Entitled Court:

Come now Paul W. Sampsell, L. Boteler and McIntyre Faries, as the trustees in bankruptcy of Christ's Church of the Golden Rule, a corporation, bankrupt, and present herewith a counter-designation of the record, proceedings and evidence to be contained in the record on appeal herein, involving George Patrick and Mr. and Mrs. Peter Petersen, from the Court below denying their motion to set aside the adjudication in bankruptcy herein.

The aforesaid trustees are of the belief that the designation of the contents of the record for printing as heretofore requested by the said appellants does not completely disclose what occurred in the hearings in the District Court of the United States. The trustees do now, therefore, present a complete counter-designation which the trustees believe is necessary to disclose all matters considered by the Courts below, to-wit:

1. Petition for order authorizing the filing of petition for arrangement under the provisions of Chapter XI without the filing of a schedule of assets and liabilities and statement of affairs, filed Nov. 1, 1945.

2. Order authorizing the filing of petition for arrangement under the provisions of Chapter XI of the Bankruptcy Act, as amended, without the filing of a schedule of assets and liabilities and a statement of affairs, filed Nov. 1, 1945.

3. Petition under Chapter XI (Sec. 322) of the Bankruptcy Act, together with Exhibits "A," "B" and "C" attached, filed Nov. 1, 1945.

4. Request for and consent to adjudication by bankrupt, filed Nov. 15, 1945.

5. Voluntary petition in bankruptcy, together with schedules annexed and certified copy of resolution of Board of Directors of bankrupt consenting to adjudication, filed Nov. 15, 1945.

6. Order of adjudication and of general reference, filed Nov. 19, 1945.

7. Order on petition for dismissal and order of adjudication, filed Nov. 19, 1945.

8. Order appointing receivers, filed Nov. 19, 1945.

9. Order approving receivers' bond, filed Nov. 21, 1945.

10. Petition of bankrupt for ancillary proceedings in the United States District Court of Oregon, filed Nov. 23, 1945.

11. Order authorizing ancillary proceedings in District of Oregon, filed Nov. 23, 1945.

12. Petition of bankrupt for ancillary proceedings in the United States District Court for the Southern Division of the Northern District of California, filed Nov. 24, 1945.

13. Order authorizing ancillary proceedings in the Northern District of California, filed Nov. 24, 1945.

14. Statement of affairs of bankrupt, filed Dec. 5, 1945.

15. Amended and supplemental schedules of bankrupt, filed Dec. 17, 1945.

16. Order approving Trustees' bond filed with Referee in Bankruptcy Brink of this court on Jan. 5, 1946.

17. Amended and supplemental schedules of bankrupt, filed March 6, 1946.

18. Special appearance to object to summary jurisdiction filed by Peter Petersen with said Referee on May 31, 1946, and answer of Mr. and Mrs. Petersen filed with said Referee on July 22, 1946, both of which are now on file with the Clerk of the above entitled court as of Oct. 3, 1947, in connection with the certificate of said Referee on review of his order against Mr. and Mrs. Petersen, dated June 10, 1947, determining title to real and personal property in favor of said trustees.

19. Reporter's transcript of testimony of Peter Petersen before said Referee on July 25, 1946, page 57, lines 2-24, and of Mrs. Peter (Clara) Petersen on the same date, page 92, lines 1-11. The said transcript is now on file with said Clerk as of Oct. 3, 1947, in connection with the certificate of said Referee on review of his order of June 10, 1947, against Mr. and Mrs. Petersen, determining title to real and personal property in favor of the said Trustees.

20. Order of said Referee dated July 25, 1946, determining title to personal property and of sale, against George D. Patrick and in favor of the Trustees herein, and now on file with said Clerk as of Sept. 27, 1946, in connection with said Referee's certificate on review of said order (first review).

21. Supplemental and amended answer of George D. Patrick filed with said Referee on Dec. 12, 1946, and now on file with said Clerk as of Sept. 29, 1947, in connection with said Referee's certificate on review of his order dated Feb. 11, 1947, determining title to personal property against George D. Patrick and in favor of said trustees (second review).

22. Second amended and supplemental answer of George D. Patrick filed with said Referee on Jan. 2, 1947, and now on file with said Clerk as of Sept. 29, 1947, in connection with said Referee's certificate on review of his order of Feb. 11, 1947, determining title to personal property against George D. Patrick and in favor of said trustees (second review).

23. Third amended and supplemental answer filed by George D. Patrick on Jan. 14, 1947, with said Referee, and now on file with said Clerk in connection with the said Referee's certificate on review of his order of Feb. 11, 1947, determining title to personal property against George D. Patrick and in favor of the said Trustees. (Second review.)

24. Articles of incorporation and by-laws of the bankrupt corporation set forth as exhibits in petitioner's exhibit No. 1 (first amended complaint in Action No. 506332 in the Superior Court of Los Angeles County, California, wherein the People of the State of California are the plaintiffs and the bankrupt corporation and others are the defendants) in evidence before the above entitled court on Nov. 13, 1945, in connection with the hearing on the order to show cause issued by said Court on Nov. 7, 1945, at the request of the People of the State of California and directed against the bankrupt (debtor) corporation.

25. Report and account of Receivers filed with said Referee on Nov. 8, 1946, and on file with the said Clerk as of Sept. 10, 1947, in connection with the certificate on review of said Referee from his order of Aug. 8, 1947, fixing the compensation of said receivers.

26. Order approving report and account of receivers, filed with said Referee on Dec. 31, 1946, and now on file with said Clerk as of Sept. 10, 1947, in connection with the certificate on review of said Referee from his order of Aug. 8, 1947, fixing the compensation of said receivers.

27. First report of trustees and petition for first dividend filed with said Referee on Nov. 8, 1946, and now on file with said Clerk as of Sept. 10, 1947, in connection with said Referee's certificate on review of his order of Aug. 8, 1947, fixing compensation of receivers.

28. Memorandum of said Referee dated Dec. 20, 1946, approving first report of trustees, and now on file with said Clerk as of Sept. 10, 1947, in connection with said certificate on review.

29. Second account and report of trustees—application of trustees for compensation, filed with said Referee on June 19, 1947, and now on file with said Clerk as of Sept. 10, 1947, in connection with said Referee's certificate on review of his order of Aug. 8, 1947, fixing compensation of receivers.

30. Memorandum of said Referee filed July 29, 1947, approving second account of trustees, and now on file with said Clerk as of Sept. 10, 1947, in connection with said certificate on review.

31. Notice of motion of George Patrick and Mr. and Mrs. Petersen to set aside adjudication in bankruptcy, filed Oct. 27, 1947.

32. Answer of Trustees in Bankruptcy to motion to set aside adjudication, filed Nov. 12, 1947.

33. Reporter's Transcript of proceedings before the above entitled Court on Nov. 14, 1947, in connection with said motion to set aside adjudication and hearing on Patrick and Petersen reviews.

34. Order denying motion to set aside adjudication, filed and entered Dec. 29, 1947.

35. Notice of appeal filed Dec. 29, 1947.

36. Statement of points on appeal filed Dec. 29, 1947.

37. Designation of contents of record for printing to the Clerk of this Court filed by the appellants herein—Peter Petersen, Mrs. Peter A. Petersen and George Patrick.

38. This counter-designation.

Dated: May 17, 1948.

MARTIN GENDEL,
FRANK C. WELLER and
THOMAS S. TOBIN,
By MARTIN GENDEL,
MARTIN GENDEL,
Of Counsel for Trustees.

Service of copy acknowledged by Crittenden in clerk's office on May 17, 1948.

At a Stated Term, to wit: The October Term 1947, of the United States Court of Appeals for the Ninth Circuit, held in the Court Room thereof, in the City and County of San Francisco, in the State of California, on Monday the fourteenth day of June in the year of our Lord one thousand nine hundred and forty-eight.

Present:

Honorable Francis A. Garrecht, Senior Circuit Judge,
Presiding;

Honorable William Denman, Circuit Judge;

Honorable William Healy, Circuit Judge.

Peter Petersen, *et al.*, appellants, vs. Paul Sampsell, *et al.*, appellees. No. 11874.

ORDER ON MOTION TO EXCLUDE IRRELEVANT AND EX-
TRANEOUS MATTERS FROM PRINTED TRANSCRIPT.

Ordered motion of appellants for an order excluding irrelevant and extraneous matters from printed transcript of record presented by Mr. Howard B. Crittenden, Jr., counsel for appellants, and by Mr. Martin Gendel, counsel for appellees, and submitted to the court for consideration and decision.

Upon consideration thereof, it is further ordered that counsel for appellants shall not be required to print the transcript of record in this cause; that counsel for respective parties shall print, as an appendix to their respective

briefs, those portions of the transcript of record on which they rely.

I hereby certify that the foregoing is a full, true, and correct copy of an original Order made and entered in the within-entitled cause.

Attest my hand and the seal of the United States Court of Appeals for the Ninth Circuit, at the City of San Francisco, in the State of California, this 15th day of Sept., 1948.

(Seal)

PAUL P. O'BRIEN,

Clerk, U. S. Court of Appeals for the Ninth Circuit.

No. 11,874.

In the United States Circuit Court of Appeals for the Ninth Circuit.

In the matter of Christ's Church of The Golden Rule, a corporation, Bankrupt.

Peter Petersen, Mrs. Peter Petersen and George D. Patrick, appellants, vs. Paul W. Sampsell, L. Boteler and McIntyre Faries, as Trustees in Bankruptcy of the Estate of Christ's Church of The Golden Rule, bankrupt, appellees.

STIPULATION AND REQUEST THAT TIME FOR FILING OF
'APPELLEES' REPLY BRIEF BE EXTENDED.

Whereas, the appellants' opening brief was not received by counsel for appellees until July 23, 1948, and

Whereas, Martin Gendel, of counsel for the appellees, who is the only one of the associated counsel familiar with the issues and pleadings involved on behalf of the appellees, and the counsel responsible for the preparation and filing of the reply brief and the presentation of the oral argument thereon, is now engaged in matters before the United States District Court in Bankruptcy, and will be so engaged for each court day to and including the 30th day of July, 1948, and

Whereas, the said Martin Gendel will be out of his office completely during the month of August, 1948, on a vacation arranged many months ago, and

Whereas, the particular issues presented in the within appeal and the voluminous, designated record present a very difficult and time-consuming problem, particularly since this Honorable Court, by order on July 19, 1948,

has permitted the parties to this action to select the portions of the designated record to be printed, with the further provision that the remaining portions of the typewritten record will be considered by this Court in their original form.

Now, therefore, it is stipulated that the appellees may file their reply brief on or before the 28th day of September, 1948.

Dated: July 23, 1948.

HOWARD B. CRITTENDEN, JR.,
HOWARD B. CRITTENDEN, JR.,
Attorney for Appellants.

MARTIN GENDEL,
MARTIN GENDEL,
Of Counsel for Appellees.

So ordered:

FRANCIS A. GARRECHT,
United States Circuit Judge.

Endorsed: Filed Jul. 29, 1948. Paul P. O'Brien, clerk.

